Setsoto Local Municipality

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MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

FY 2018/2019

Building trust relationships within the municipal environment-the road to sustainable service delivery provision

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EXECUTIVE SUMMARY

To Our Stakeholders

STRATEGIC HIGHLIGHTS

The municipality has undertaken a journey to ***building trust relationships within the municipal environment-the road to sustainable service delivery provision***, 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 cascading of the performance management systems to lower level employees. 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 2 312 million**, of the money market is **R 9 386 million**, the MIG investment account is **R 49 940 million** as at the 31 December 2018. Interest accumulated on investments is **R 1 3 544 million**. The cash and cash equivalents is a positive balance of **R 51 967 million**, included in this balance is the primary bank account with the balance of **R 2 707 million** and the interest on this is primary bank account is **R 91 798 thousands**.

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 2017/2018, 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 to ***building trust relationships within the municipal environment-the road to sustainable service delivery provision***.

MAOKE N A
EXECUTIVE MAYOR
January 18, 2018

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 2018/2019 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 72 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 2018, the 30 days limit expires on 30 January 2018.

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.

Furthermore, 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

EXECUTIVE SUMMARY

(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."

The following annexure are provided:

Annexure A: Budget and Financial Reporting Performance Report 2018/2019
Annexure B: SDBIP Performance Assessment Report 2018/2019

FINANCIAL PERFORMANCE

Operating Revenue

The Net Operating Income for the 2nd quarter ended 31 December 2018 of R 288 874 million is much higher than the year to date budget of R 225 042 million. The contributors to the performance for the 2nd quarter of the 2018/2019 financial year that ended 31 December 2018 are as follows:

Description	R' million
Positive	
Property Rates	31 168 000
Electricity Revenue	37 846 000
Water Revenue	30 059 000
Sanitation Revenue	15 725 000
Refuse Revenue	29 059 000
Interest earned-outstanding debtors	15 512 000
Dividends	60 000
Transfers and subsidies	133 208 000
Other Own Revenue	2 273 000
Negative	
Rental of facilities and equipment Revenue	78 000
Investment Revenue	1 938 000
Fines, penalties and forfeits	134 000
Licenses and permits	13 000

The reason for the above negative deviation are as follows:

- The investment revenue **-40% (R 1 938 million)** below the budget income of **R 3 257 million.** The collection rate for the second quarter ended 31 December 2018 is **52%**, which is less than the target of **85%** 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 were 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 2018/2019 financial year. The actual performance as at end of 31 December 2018 is not captured but assumed to be almost at 100 days.

Operating Expenditure

The Net Operating Expenditure for the 2nd quarter ended 31 December 2018 amounted to **R 178 111 million** is **-46%** less than the budgeted expenditure of **R 329 054 million**. The main contributors to the variance for the 2nd quarter ended 31 December 2018 is as follows:

- The actual remuneration cost for the 2nd quarter is **-12%** less than budgeted. Though the amount spend is significantly less than budgeted amount, the employee related cost need to be adjusted

upwards as the current budget is insufficient 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 is not accounted for in the financial report. This matter need to be addresses so as top address to only find out at the end of the financial year that we need to approve unauthorised expenditure.
- Repair and maintenance is spending is not disclosed in the financial report ending 31 December 2018.
- The actual cost for finance charges **191% (R 3 784 million)** more than budgeted. This has been brought about by fact that the municipality has less cash at the bank and thus it takes longer to pay creditors within the required timeframes of 30 days.
- Material and bulk purchases in total is R 47 744 million (90 %) less than budgeted. The bulk purchases are within the budget whereas other material purchases are under the
- The actual cost for contracted services is above by **6525% (R 9 479 million)** more than budgeted. If this spending is not curbed, the budget will have to be adjusted upwards in order to prevent unauthorised expenditure.
- Grants and subsidies paid is **R 198 624 million** and year to date spending is **R 166 657million** which represent spending of **84%** of the year to date receipts and **58%** of the full year forecast.
- The actual expenditure for general and other expenditure is **156% (R 7 795 million)** less than budgeted. Details of the spending per line item and spending as per different contributors is on page7 to page 8 of the Budget and Financial Report- Mid-Year (Second Quarter) attached to this report.

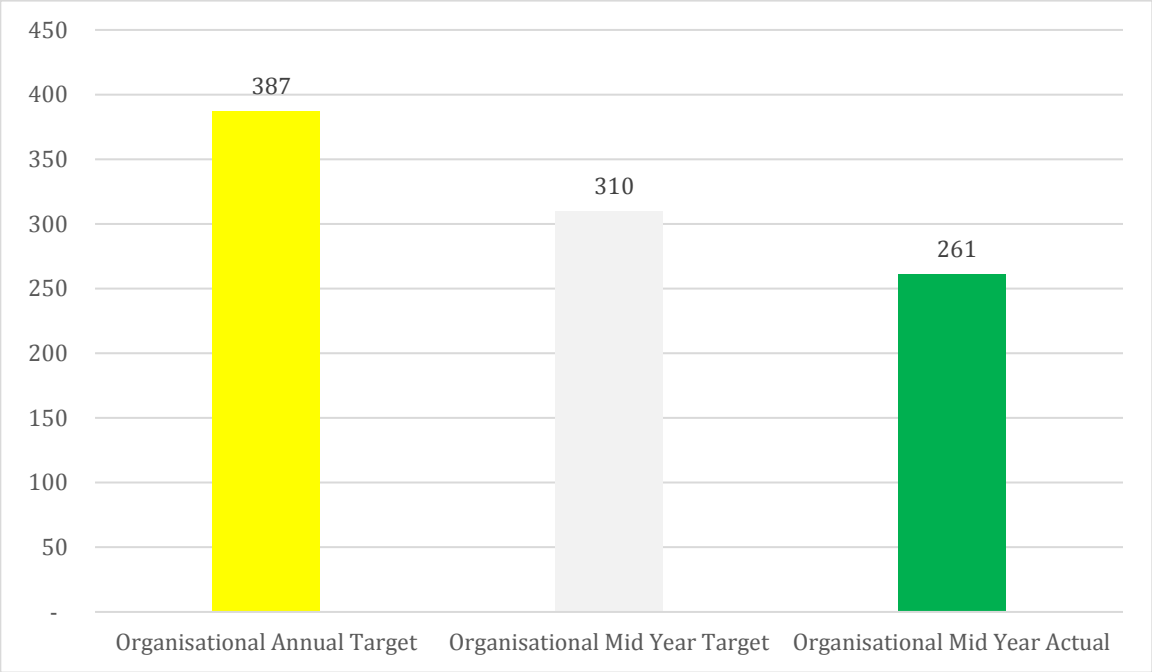
The deviation of the budgeted expenditure is discussed in more detail in the Budget and Financial Report-Mid-Year (Second Quarter).

Capital Expenditure

The actual capital expenditure for the second quarter of the 2018/2019 financial year ended 31 December 2018 is 90% **(R 56 448 million)**, which represent a spending of **50%** of the total budget of **R 112 897 million,** this is within the norm

INSTITUTIONAL MID-YEAR PERFORMANCE

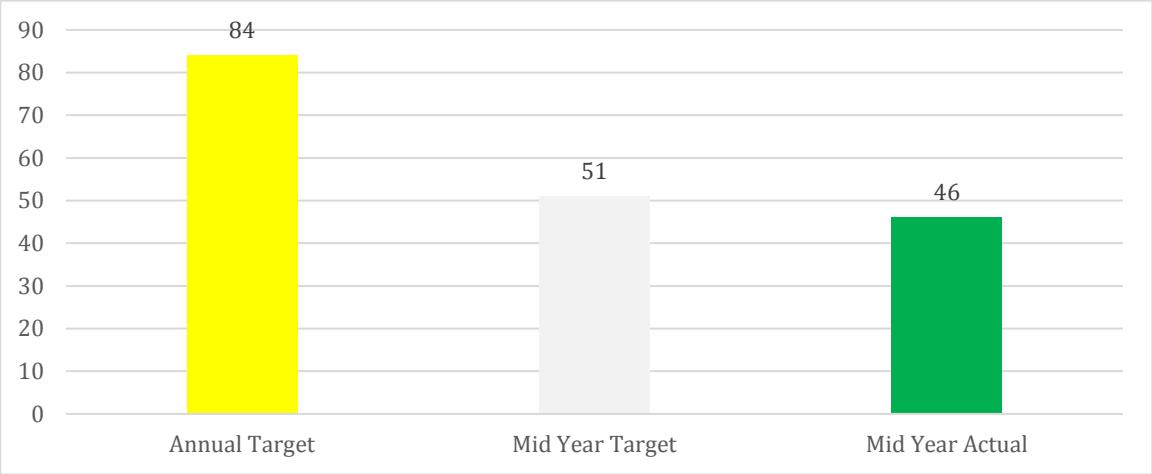
Service delivery and Budget Implementation Plan 2018/2019 Mid-Year Performance



The mid-year performance for 2018/2019, indicates that of the performance planned for 1st quarter and 2nd quarter 261 (84 %) of the planned targets were achieved and 49 (16%) of the planned targets were not achieved. The current organisational performance is standing at 67% which is 17% higher than the year to date performance of 50%.

DEPARTMENTAL PERFORMANCE

Department of the Office of the Municipal Manager

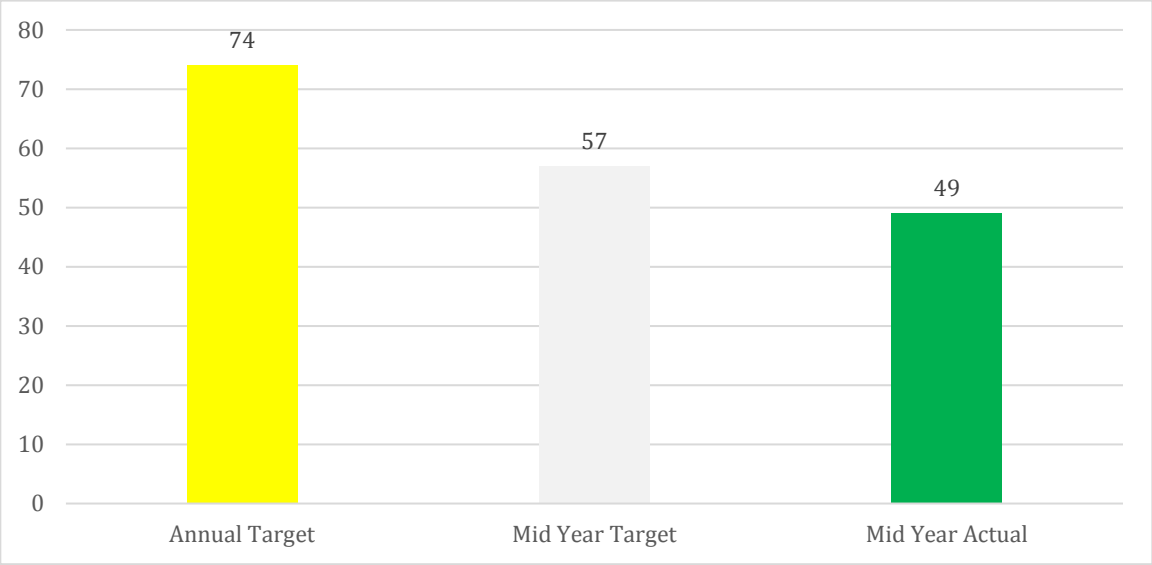


A total of 84 targets were planned for the 2018/2019 financial year, of which 51targets were planned for quarters one and two. In total 46(91%) targets were achieved and 5 (9%) targets were not achieved. The current departmental performance is standing at 58% which is 5% higher than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- Offices of the Speaker and the Executive Mayor not submitting their quarterly reports.
- Liaison officers in the Office of the Municipal Manager nor submitting their quarterly reports
- Financial constraints due to cash flow difficulties

DEPARTMENTAL PERFORMANCE

Department Corporate Services



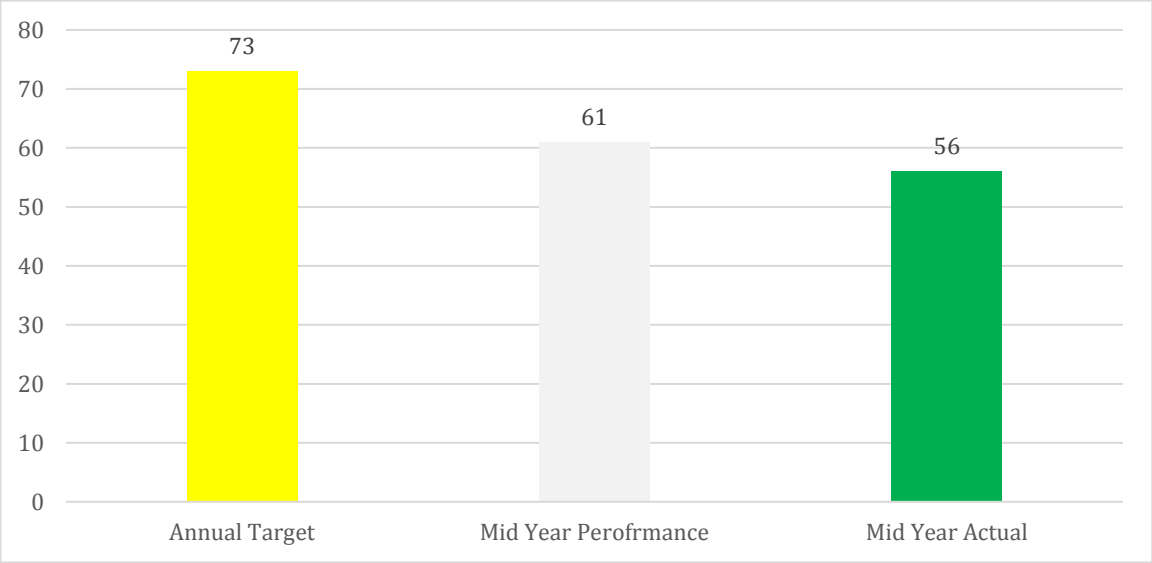
A total of 74 targets were planned for the 2018/2019 financial year, of which 57 targets were planned for quarters one and two. In total 49 (86%) targets were achieved and 8 (14%) targets were not achieved. The current departmental performance is standing at 54% which is 4% higher than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- The division has already developed an action plan to address the issue of all HR related policies that needs to be reviewed which will be addressed in the third quarter.
- After the structure was revised during the strategic session which was held during the first quarter, the Department of CoGTA was engaged with the view to assist us in giving an expert advice in terms of organisational development before the structure can be tabled to council.
- The division will still pursue engagements to check when the department will second an official to assist in this regard.
- The second quarter's risk meeting did not sit but the target will be addressed during the third quarter.
- Indicators not achieved during at Mid-Year of 2018/2019 only relates to the Workshop on Records Managements which has not yet been held. The workshops will be held during the 3rd quarter and by year end, target will be fully achieved
- The new Risk Register will be the resort for the Municipality for reporting, this was as a result that the termination of the contract of the Barnowl system
- The following targets could not be met as a result of a standing vacancy of the Manager Legal position:
    - Percentage of legal advice and opinions provided timeously within SLM.
    - Number of Corporate Services Policies Developed and Reviewed.
    - Number of engagement sessions.

- The unit therefore propose that filing of this position be prioritised as a matter of urgency as it also has a negative impact on performance of this division. The second target on Eviction Application made, during this quarter, there were no applications submitted for evictions, but in future when there as applications the division ensure giving it the necessary attention.
- Lastly on the Audit Action Plan, the division will in the next financial year revise the target on submission of the Action Plan, as the number of 12 reports to be submitted is way more than the months that the report should be submitted. Consideration will be given on the time AG is here for audit so that we should exclude those months.

DEPARTMENTAL PERFORMANCE

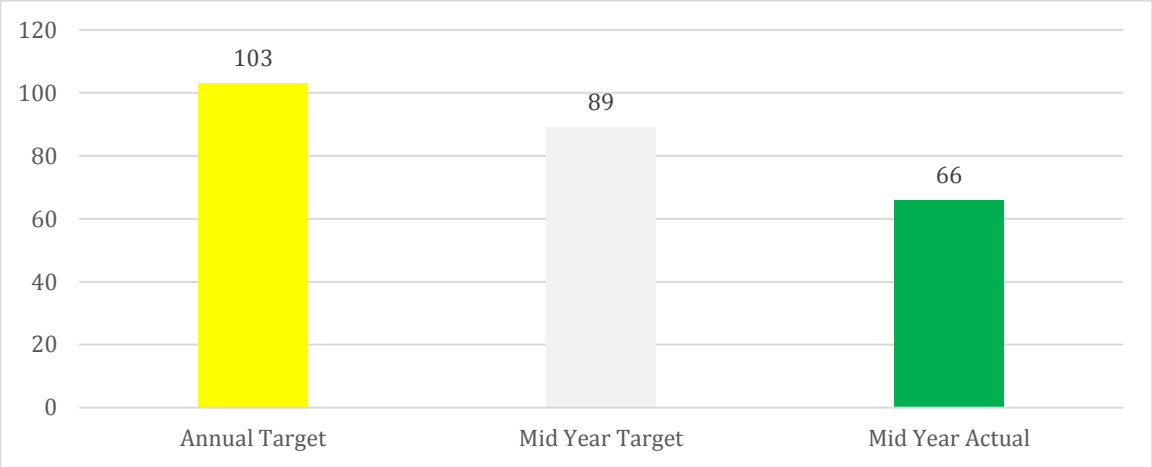
Department Treasury Services



A total of 73 targets were planned for the 2018/2019 financial year, of which 61 targets were planned for quarters one and two. In total 56 (92%) targets were achieved and 5 (8%) targets were not achieved. The current departmental performance is standing at 77% which is 27% more than the year to date performance of 50%. No reasons were provided for non-performance.

DEPARTMENTAL PERFORMANCE

Department Engineering Services

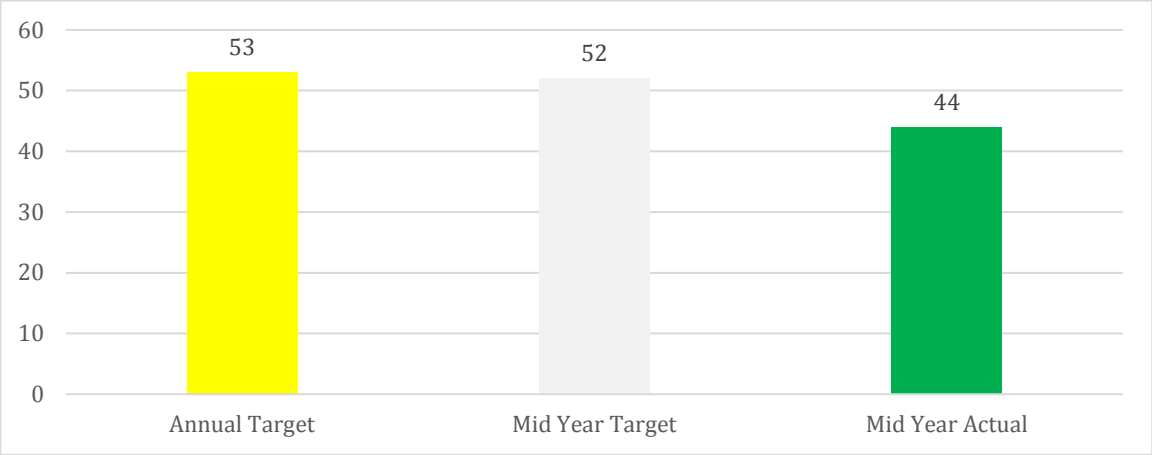


A total of 103 targets were planned for the 2018/2019 financial year, of which 89 targets were planned for quarters one and two. In total 66 (74%) targets were achieved and 23 (26%) targets were not achieved. The current departmental performance is standing at 64% which is 14% high than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- There was a delay in the implementation of four projects and the target would be met in the third quarter.
- Drought Business Plan was Submitted to DWS
- Water and sewer projects in Marquard that were not progressing as a result the contractor's contract was terminated.
- The contract was terminated due to slow production and the sub-contractors were appointed to complete the works.
- Only 18 vehicles were due for licensing.

DEPARTMENTAL PERFORMANCE

Department Development Planning and Social Security



A total of 53 targets were planned for the 2018/2019 financial year, of which 52 targets were planned for quarters one and two. In total 44 (85%) targets were achieved and 8 (15%) targets were not achieved. The current departmental performance is standing at 83% which is 33% high than the year to date performance of 50%. The main reasons divisions sited for non-achievements were:

- Lack of manpower
- Delays in procurement processing
- Task should be performed by Agri-Clerks but have no transport to travel around units
- Function was suspended since July –December 2018
- Shortage of manpower. Informal Trade Plan yet to be developed

ORGANISATIONAL 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, Municipal Systems Act, 32 of 2001, Municipal Budget and Reporting Regulations of 2005 and the Municipal Planning and Reporting regulation of 2001.

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 2018/2019 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 and Adjusted Service Delivery and Budget Implementation Plan by the 28 February 2018.

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 2018 be submitted by the Accounting Officer to the Executive 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 2018/2019 financial year, and supporting documents as required by National Treasury (Schedule C) as at 31 December 2018, 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.

CONTACT INFORMATION

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ANNEXURE A-FINANCIAL PERFOMANCE REPORT

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

01 JULY 2018-31 DECEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's mid-year actual performance for the Mid-year financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) and 72 of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure good governance, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

- Must within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

Section 72 further states 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-
    - the monthly statements referred to in section 71 for the first half of the financial year;
    - the municipality's service delivery performance during the first half of the financial year, and the service targets and performance indicators set in the service delivery and budget implementation plan; and
    - the past year's annual report, and progress on resolving problems identified in the annual report.
b) Submit a report on such assessment to-
    - The mayor of the municipality
    - National and provincial treasuries.

The statements referred to in the section 71(1) for the sixth month of a financial year may be incorporated into the assessment report.

As part of the review the accounting officer must-

- Make recommendations as to whether an adjustments budget is necessary; and
- Recommend revised projections for revenue and expenditure to the extent that this may be necessary.

4. Report for the period ended 31 December 2018

This report is based upon financial and non-financial information as at 31 December 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the period are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates	52,961	50,000	–	5,325	31,168	25,000	6,168	25%	59,166
Service charges - electricity revenue	68,345	75,707	–	5,600	37,846	37,854	(8)	0%	75,692
Service charges - water revenue	46,965	55,002	–	5,029	30,859	27,501	3,358	12%	61,719
Service charges - sanitation revenue	20,931	25,020	–	2,626	15,725	12,510	3,215	26%	31,450
Service charges - refuse revenue	30,565	30,000	–	3,348	20,059	15,000	5,059	34%	40,119
Service charges - other	330	–	–	–	–	–	–		–
Rental of facilities and equipment	1,192	697	–	9	78	348	(270)	-78%	157
Interest earned - external investments	2,396	6,514	–	412	1,938	3,257	(1,318)	-40%	3,877
Interest earned - outstanding debtors	24,177	28,001	–	2,774	15,512	14,000	1,511	11%	31,024
Dividends received	51	35	–	–	60	18	42	241%	119
Fines, penalties and forfeits	1,689	600	–	37	134	300	(166)	-55%	268
Licences and permits	190	35	–	5	13	18	(4)	-25%	26
Agency services	–	–	–	–	–	–	–		–
Transfers and subsidies	162,806	177,144	–	57,976	133,208	88,572	44,636	50%	266,416
Other revenue	20,065	1,329	–	90	2,273	665	1,609	242%	4,547
Gains on disposal of PPE	–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)	**432,661**	**450,084**	**–**	**83,230**	**288,874**	**225,042**	**63,832**	**28%**	**574,579**

Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period amount to **R 288,874 million** on the year to date target of **R 225,042 million** resulting in a variance of **28%** and the expenditure for the period amount to **R 178,111 million)** on a year to date target of **R 329,054 million** resulting in a variance of **-46%**.

Cognisance should be taken that depreciation was not taken into account and should it be, the expenditure for the period amount to R297,695 million resulting on a variance of **-9,5%**.

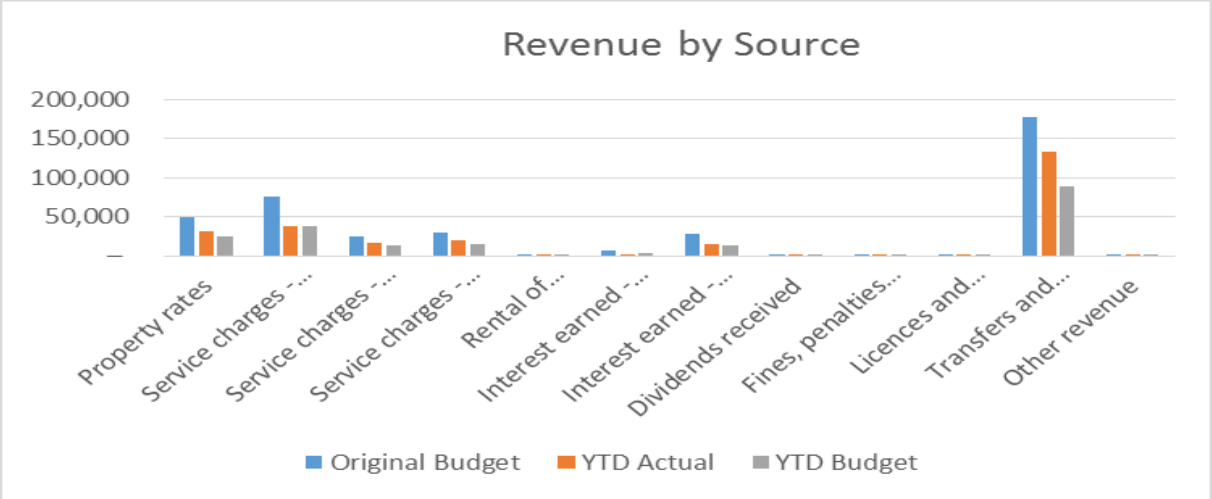
The actual performance for the second quarter ended 31 December 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	Mid-year Year to date Budget	Mid-year Year to date Actual	Variance
Revenue By Source	225,042	288,874	28%
Expenditure By Type	329,054	178,111	(46%)
Surplus/(Deficit)	**(104,012)**	**110,763**	

Major Revenue Variances against the budget

- Property rates have a favourable variance of R 6,168 million (25%) for the period, the new valuation roll has been implemented with effect from beginning of the financial year and new levies were implemented on properties and resulted into this variance.
- Water revenue have a favourable variance of R 3,358 million (12%) against the year to date target which is slightly material; it should be noted that water in towns is consumption dependant and that in township there is a flat rate charged.
- Sanitation Revenue has a variance of R 3,215 million (26%) for the period, the variance is material therefore the budget must be adjusted upwards.
- Refuse revenue has a favourable variance of R 5,069 million (34%), the variance is material therefore the budget must be adjusted upwards;
- Rental of facilities and equipment have a variance of R270 thousands less than the budget year to date, it should be noted that properties are rented as and when required and their rentals are paid once-off and that's where most income is earned unlike those that have a long term lease contract. Lessee who have a long term lease contract they have a tendency of not paying their rent until such time when their contract expires and this results on deficit on the budget;
- Interest earned – external investments has an unfavourable variance of R1 million representing 40 percent against the budget. It should be noted that returns on investment depend on the amount invested as well as the period invested. With the municipality having lowest cash balances in the period under reporting, investments were kept to a minimum and for a less period hence the target could not be met.
- Interest earned-outstanding debtors have a favourable variance of R 1,511 million (11%) for the period, the increase is as a result of non-payment for services in certain areas;

In light of the above it indicate that the municipality needs to adjust its revenue budget upwards. This is brought mainly by Property rates and service charges, but it should be noted that the tariffs will not be affected and will remain the same, since it is against the prescripts of the MFMA to revise tariffs during the financial year. It should also be considered that the property rates and service charges reported above are billed revenue and that when taking the average payment rate of the said services then the provision for bad debts will also be required to be increased accordingly.



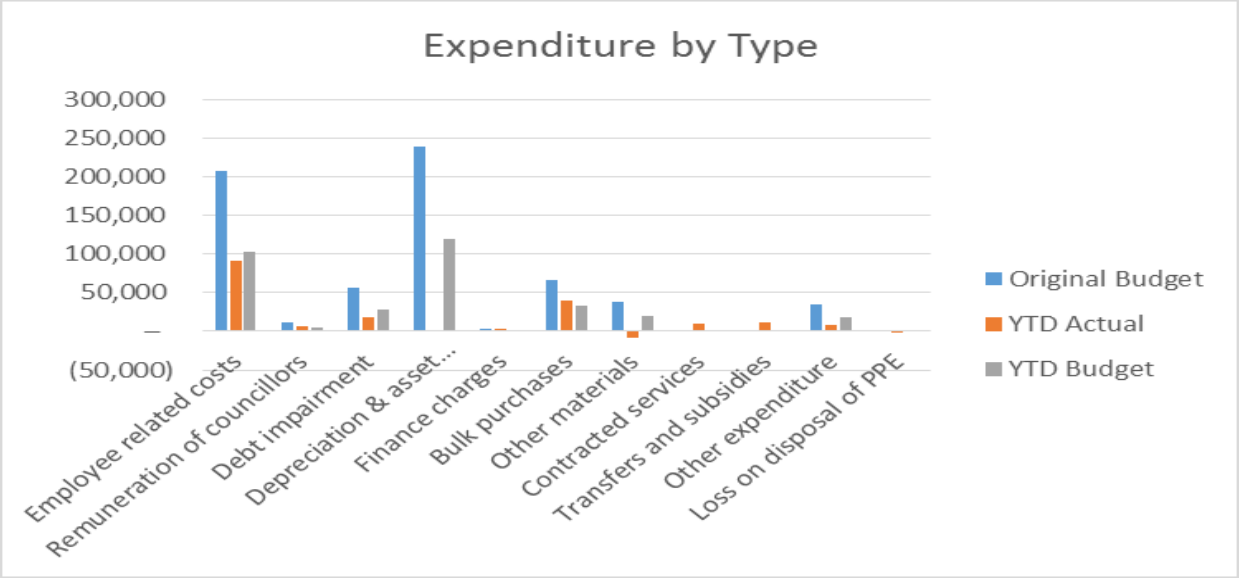
FS191 Setsoto - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Financial Performance									
Property rates	52,961	50,000	–	5,325	31,168	25,000	6,168	25%	59,166
Service charges	167,135	185,729	–	16,602	104,490	92,865	11,625	13%	208,979
Investment revenue	2,396	6,514	–	412	1,938	3,257	(1,318)	-40%	3,877
Transfers and subsidies	162,806	177,144	–	57,976	133,208	88,572	44,636	50%	266,416
Other own revenue	47,363	30,697	–	2,915	18,070	15,348	2,722	18%	36,141
Total Revenue (excluding capital transfers and contributions)	**432,661**	**450,084**	**–**	**83,230**	**288,874**	**225,042**	**63,832**	**28%**	**574,579**

GRANT	DORA ALLOCATION	YTD RECEIPTS	FUTURE RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share	R 173,927,000	R 130,446,000	R 43,481,000	R -	R 130,446,000	R -	100%
Sub-Total	**R 173,927,000**	**R 130,446,000**	**R 43,481,000**	**R -**	**R 130,446,000**	**R -**	**100%**
CONDITIONAL							
EPWP	R 1,517,000	R 1,062,000	R 455,000	R -	R 825,006	R 236,994	78%
FMG	R 1,700,000	R 1,700,000	R -	R -	R 691,854	R 1,008,146	41%
INEG	R 682,000	R 400,000	R 282,000	R -	R -	R 400,000	0%
MIG	R 57,782,000	R 25,616,000	R 32,166,000	R -	R 25,587,988	R 28,012	100%
RBIG	R 30,000,000	R 25,000,000	R 5,000,000	R -	R -	R 25,000,000	0%
WSIG	R 20,000,000	R 14,400,000	R 5,600,000	R -	R 9,106,557	R 5,293,443	63%
Sub-Total	**R 111,681,000**	**R 68,178,000**	**R 43,503,000**	**R -**	**R 36,211,405**	**R 31,966,595**	**53%**
TOTAL	**R 285,608,000**	**R 198,624,000**	**R 86,984,000**	**R -**	**R 166,657,405**	**R 31,966,595**	**84%**

Grants and subsidies received on year to date amount to R 198,624 million included in that is R 130,446 million of equitable share which is regarded as unconditional grant. Conditional grants received amount to R 68,178 million and 53% of it has been spent to date

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs	175,808	207,481	–	16,403	91,056	103,741	(12,685)	-12%	182,111
Remuneration of councillors	12,748	11,000	–	1,072	6,474	5,500	974	18%	12,948
Debt impairment	78,138	56,000	–	1,168	17,958	28,000	(10,042)	-36%	35,915
Depreciation & asset impairment	176,926	239,167	–	–	–	119,584	(119,584)	-100%	–
Finance charges	5,961	2,600	–	642	3,784	1,300	2,484	191%	7,567
Bulk purchases	53,990	67,000	–	5,484	39,310	33,500	5,810	17%	78,620
Other materials	–	38,276	–	606	(8,434)	19,138	(27,572)	-144%	(16,868)
Contracted services	13,380	286	–	4,138	9,479	143	9,336	6526%	18,959
Transfers and subsidies	2,111	650	–	2,582	12,186	325	11,861	3650%	24,372
Other expenditure	48,491	35,646	–	664	7,795	17,823	(10,028)	-56%	15,589
Loss on disposal of PPE	258	–	–	(1,478)	(1,496)	–	(1,496)	#DIV/0!	(2,993)
Total Expenditure	**567,810**	**658,107**	**–**	**31,282**	**178,111**	**329,054**	**(150,943)**	**-46%**	**356,221**



Major Expenditure Variances against the budget

- Employee related costs have a variance of R 12,685 million (-12%) for the period, the variance might increase up to equal the budget when provisions are calculated during the financial year end. Actuarial valuations and provisions on leave and bonus has not been taken into account;
- Councillors remuneration have a variance of R 974 thousands (18%) higher than the budget year to date and the budget need to be amended accordingly;
- Debt impairment have a variance of R10,042 million which is lower than the year to date budget and should remain the same during the adjustment budget compilation;
- Finance Charges have an unfavorable variance of R 2,484 million for the period. Due to less cash balances available at the municipality's bank, creditors are not paid within the required time therefore they charge interest on overdue accounts that resulted in this unfavorable variances. Finance charges budget will have to be adjusted upwards. It should be noted that interest charged on overdue accounts will result into fruitless and wasteful expenditure.

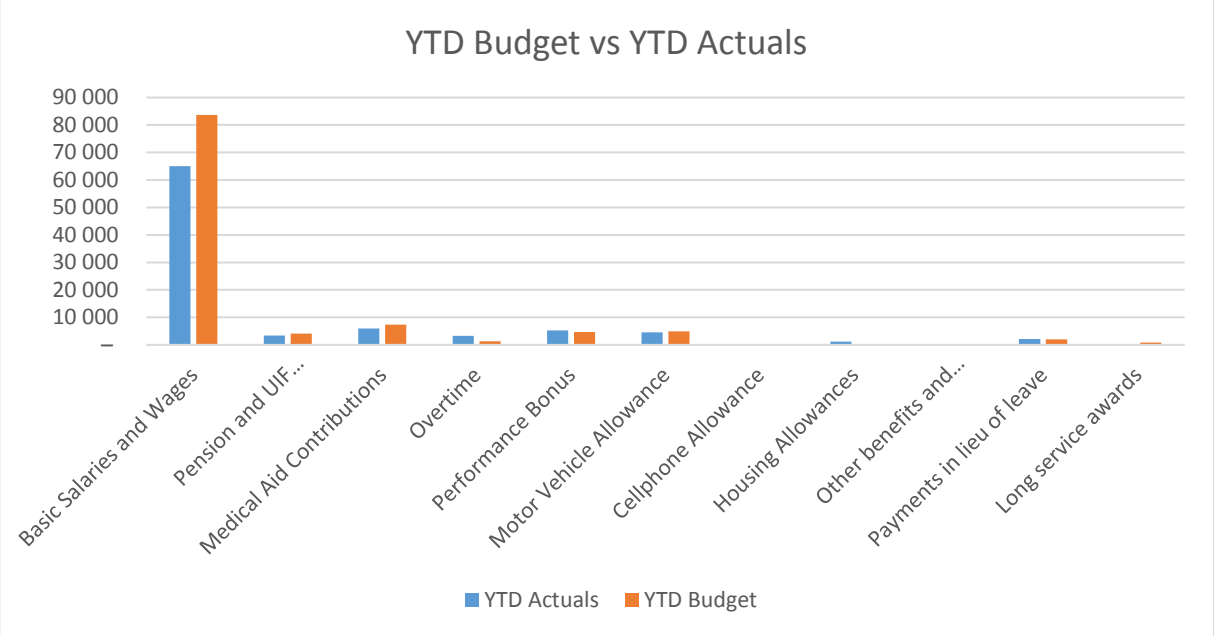
- Bulk purchases have a favourable variance of R 5,810 million (17%) for the period, this variance mean that the budget will have to be adjusted upwards;
- Contracted services have a huge unfavourable variance and need to be adjusted upwards in order to avoid unauthorised expenditure;
- Transfers and grants also have a huge unfavourable variance of R 11,861 million (3650%) and will have to be adjusted upwards;
- Other expenditure have a favourable variance of R 10,028 million (-56%) for the period due to strict control measures that were implemented to restrict spending on non-essential services.

Based on above the total operating expenditure budget needs to be adjusted.

EMPLOYEE COST

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

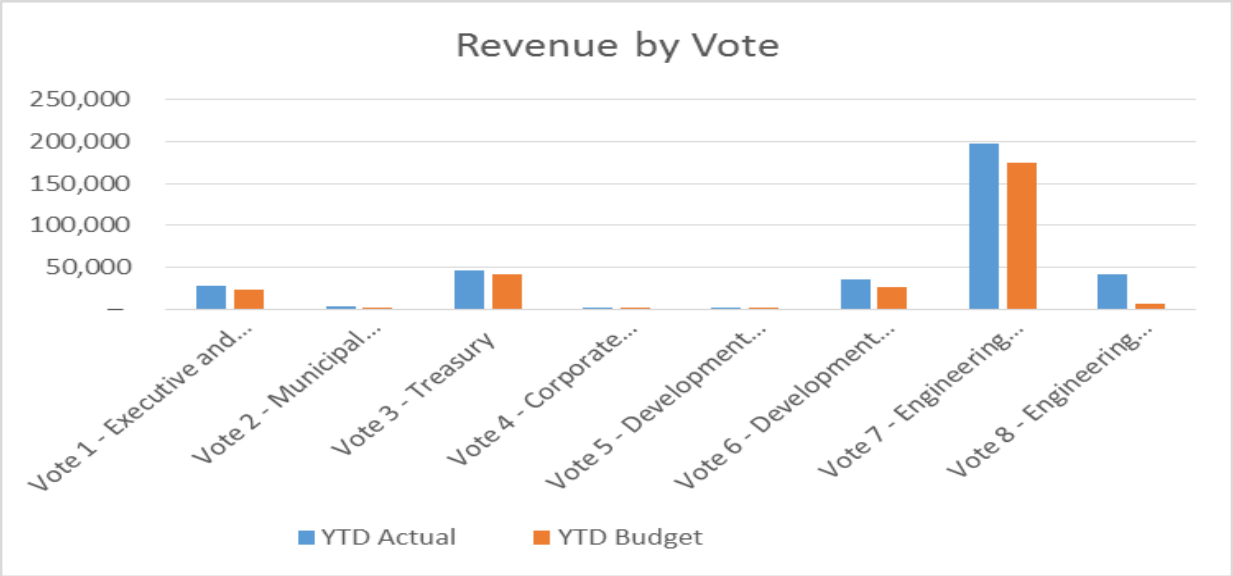
Summary of Employee and Councillor remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
	A	B	C						D
Other Municipal Staff									
Basic Salaries and Wages	104,828	156,293	–	10,966	64,968	83,647	(18,679)	-22%	129,936
Pension and UIF Contributions	21,715	8,282	–	560	3,379	4,141	(762)	-18%	6,758
Medical Aid Contributions	11,908	14,652	–	1,000	5,999	7,326	(1,327)	-18%	11,998
Overtime	8,527	2,638	–	526	3,323	1,319	2,004	152%	6,646
Performance Bonus	8,693	9,409	–	2,002	5,303	4,704	598	13%	10,606
Motor Vehicle Allowance	12,005	9,822	–	764	4,517	4,911	(394)	-8%	9,033
Cellphone Allowance	715	175	–	14	84	88	(4)	-5%	167
Housing Allowances	545	411	–	215	1,190	205	985	480%	2,380
Other benefits and allowances	2,341	–	–	–	–	–	–		–
Payments in lieu of leave	3,739	4,062	–	337	2,096	2,031	65	3%	4,193
Long service awards	790	1,737	–	18	197	868	(672)	-77%	394
Post-retirement benefit obligations	–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff	**175,808**	**207,481**	**–**	**16,403**	**91,056**	**109,241**	**(18,185)**	**-17%**	**182,111**



Revenue and Expenditure by municipal vote

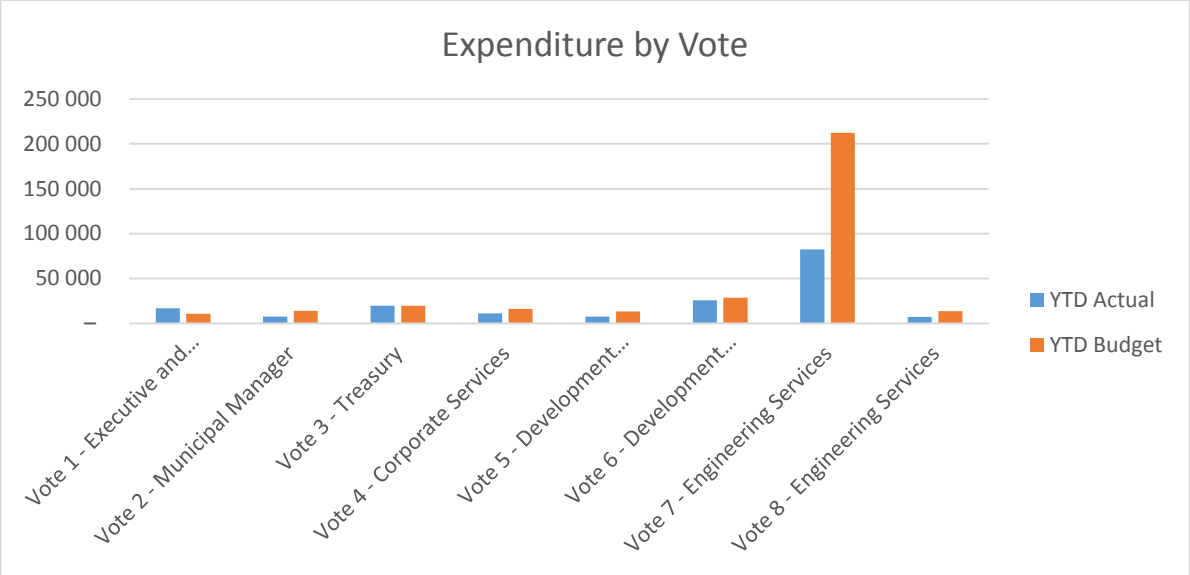
FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 - Executive and council	1,493	44,853	–	13,416	28,073	22,427	5,647	25.2%	56,147
Vote 2 - Municipal Manager	–	4,283	–	1,428	3,212	2,141	1,071	50.0%	6,424
Vote 3 - Treasury	27,665	82,231	–	7,952	46,878	41,115	5,763	14.0%	93,756
Vote 4 - Corporate Services	1,221	1,607	–	3	257	803	(546)	-68.0%	514
Vote 5 - Development Planning and Social Security	–	5,021	–	176	1,227	2,511	(1,284)	-51.1%	2,454
Vote 6 - Development Planning and Social Security	45,784	51,210	–	10,246	35,672	25,605	10,067	39.3%	71,344
Vote 7 - Engineering Services	18,546	350,240	–	47,432	197,847	175,120	22,727	13.0%	395,695
Vote 8 - Engineering Services	–	12,105	–	1,478	41,304	6,053	35,251	582.4%	82,607
Total Revenue by Vote	**94,711**	**551,550**	**–**	**82,129**	**354,470**	**275,775**	**78,696**	**28.5%**	**708,941**



FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year

Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 - Executive and council	44,739	21,660	–	3,197	16,831	10,830	6,001	55.4%	33,662
Vote 2 - Municipal Manager	–	28,373	–	1,258	7,467	14,187	(6,719)	-47.4%	14,934
Vote 3 - Treasury	21,141	39,478	–	4,645	19,769	19,739	30	0.2%	39,539
Vote 4 - Corporate Services	11,369	32,578	–	1,907	11,180	16,289	(5,109)	-31.4%	22,359
Vote 5 - Development Planning and Social Security	2,533	26,780	–	1,237	7,482	13,390	(5,909)	-44.1%	14,963
Vote 6 - Development Planning and Social Security	43,685	57,545	–	3,758	25,624	28,773	(3,149)	-10.9%	51,247
Vote 7 - Engineering Services	11,840	424,637	–	12,606	82,461	212,319	(129,858)	-61.2%	164,922
Vote 8 - Engineering Services	–	27,056	–	1,573	7,297	13,528	(6,231)	-46.1%	14,595
Total Expenditure by Vote	**135,307**	**658,107**	**–**	**30,182**	**178,111**	**329,054**	**(150,943)**	**-45.9%**	**356,221**
Surplus/ (Deficit) for the year	**(40,596)**	**(106,558)**	**–**	**51,948**	**176,360**	**(53,279)**	**229,638**	**-431.0%**	**352,719**

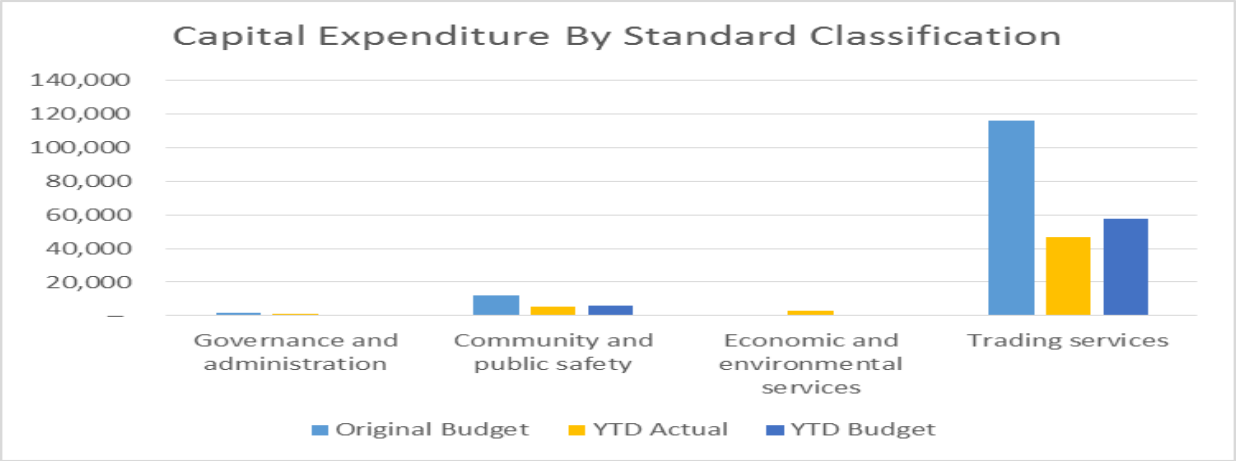


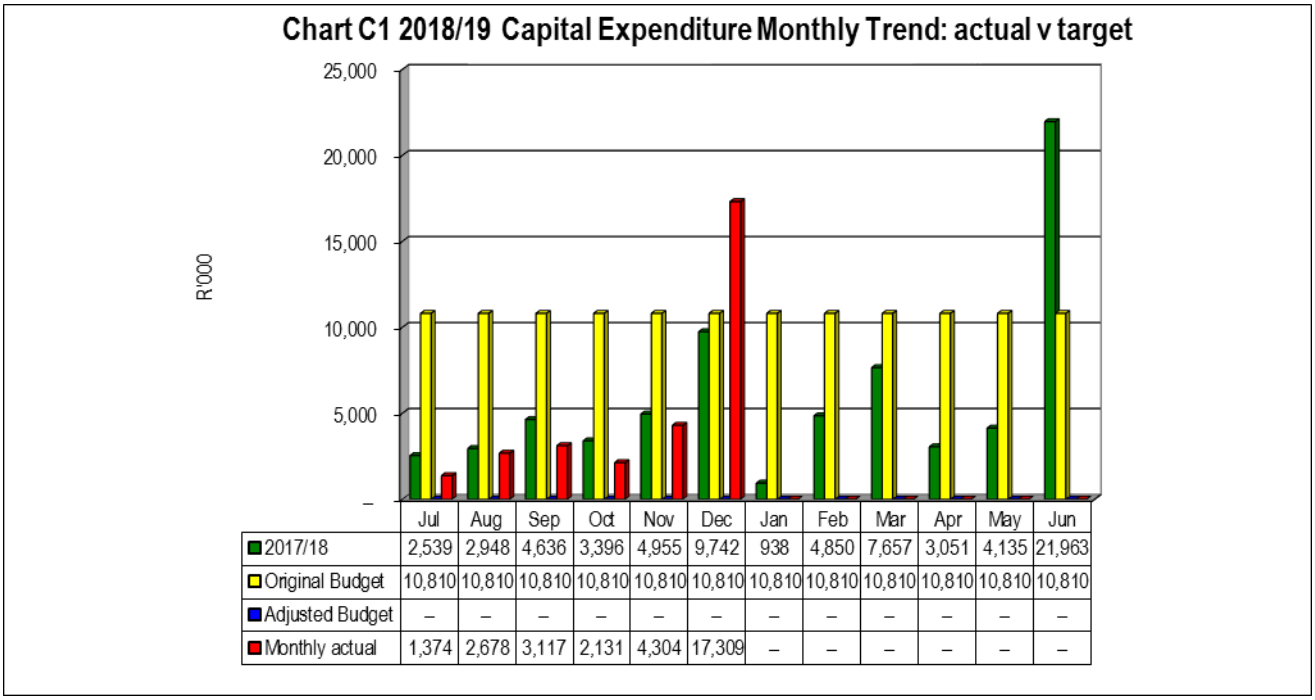
5. Capital Expenditure-Table C5

The municipality's capital budget is financed through grants and subsidies as well as internally generated funds.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and

Vote Description	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
Capital Expenditure - Functional Classification								
Governance and administration	**1,564**	**–**	**–**	**1,010**	**782**	228	29%	**2,020**
Executive and council	330	–	–	86	165	(79)	-48%	172
Finance and administration	1,179	–	–	907	590	317	54%	1,813
Internal audit	54	–	–	17	27	(10)	-37%	34
Community and public safety	**11,990**	**–**	**–**	**5,612**	**5,995**	(383)	-6%	**11,224**
Community and social services	–	–	–	–	–	–		–
Sport and recreation	11,715	–	–	5,612	5,858	(245)	-4%	11,224
Public safety	–	–	–	–	–	–		–
Housing	275	–	–	–	138	(138)	-100%	–
Health	–	–	–	–	–	–		–
Economic and environmental services	**499**	**–**	**1,145**	**3,282**	**250**	3,033	1214%	**6,565**
Planning and development	94	–	–	–	47	(47)	-100%	–
Road transport	405	–	1,145	3,282	203	3,080	1521%	6,565
Environmental protection	–	–	–	–	–	–		–
Trading services	**115,667**	**–**	**16,163**	**46,544**	**57,833**	(11,290)	-20%	**93,088**
Energy sources	6,630	–	–	3,285	3,315	(30)	-1%	6,569
Water management	108,162	–	1,067	14,257	54,081	(39,824)	-74%	28,514
Waste water management	400	–	15,096	25,888	200	25,688	12844%	51,775
Waste management	475	–	–	3,115	237	2,877	1211%	6,229
Other	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Cl	**129,720**	**–**	**17,309**	**56,448**	**64,860**	**(8,412)**	**-13%**	**112,897**

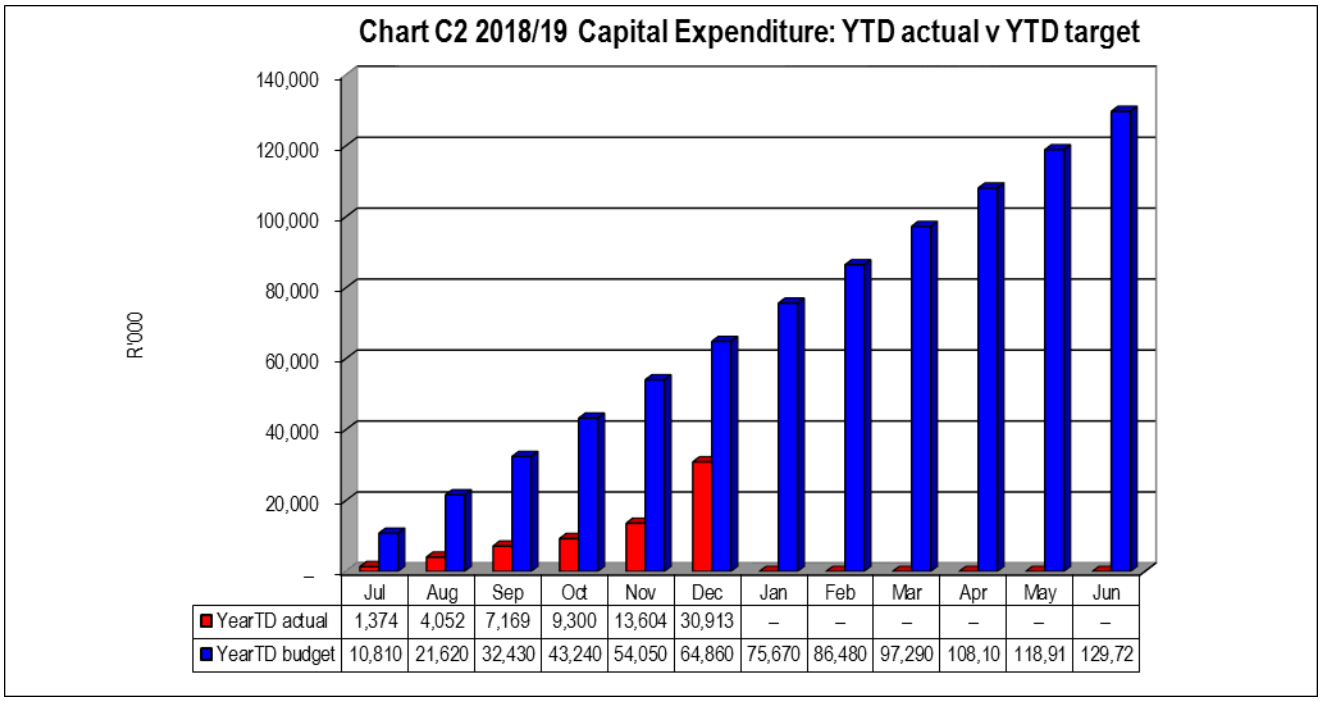




	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
2017/18	2,539	2,948	4,636	3,396	4,955	9,742	938	4,850	7,657	3,051	4,135	21,963
Original Budget	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810	10,810
Adjusted Budget	–	–	–	–	–	–	–	–	–	–	–	–
Monthly actual	1,374	2,678	3,117	2,131	4,304	17,309	–	–	–	–	–	–

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) -

Vote Description	Budget Year 2018/19							
	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands							%	
Single Year expenditure appropriation								
Vote 1 - Executive and council	213	–	–	86	107	(21)	-19%	172
Vote 2 - Municipal Manager	226	–	–	235	113	122	108%	469
Vote 3 - Treasury	240	–	–	85	120	(35)	-29%	170
Vote 4 - Corporate Services	689	–	–	87	345	(258)	-75%	174
Vote 5 - Development Planning and Social Security	11,715	–	–	6,116	5,858	259	4%	12,233
Vote 6 - Development Planning and Social Security	490	–	–	3,128	245	2,883	1177%	6,255
Vote 7 - Engineering Services	115,582	–	17,309	46,712	57,791	(11,079)	-19%	93,424
Vote 8 - Engineering Services	565	–	–	9	282	(273)	-97%	19
Total Capital single-year expenditure	129,720	–	17,309	56,458	64,860	**(8,402)**	**-13%**	112,915


Chart C2 2018/19 Capital Expenditure: YTD actual v YTD target
R'000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
–
Jul Aug Sep Oct Nov Dec Jan Feb Mar Apr May Jun
YearTD actual 1,374 4,052 7,169 9,300 13,604 30,913 – – – – – –
YearTD budget 10,810 21,620 32,430 43,240 54,050 64,860 75,670 86,480 97,290 108,10 118,91 129,72

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Property rates	55,060	40,000	–	1,673	11,903	20,000	(8,097)	-40%	23,806
Service charges	75,449	148,583	–	3,513	42,335	74,292	(31,956)	-43%	84,671
Other revenue	2,290	2,129	–	951	10,177	1,065	9,112	856%	20,354
Government - operating	162,806	177,826	–	57,976	133,208	88,913	44,295	50%	177,826
Government - capital	83,997	107,782	–	–	65,545	53,891	11,654	22%	107,782
Interest	2,396	28,393	–	410	2,434	14,197	(11,763)	-83%	4,868
Dividends	51	35	–	–	60	18	42	241%	119
Payments									
Suppliers and employees	(298,111)	(359,690)	–	(35,852)	(177,423)	(179,845)	(2,422)	1%	(354,846)
Finance charges	(5,961)	(2,600)	–	(642)	(2,626)	(1,300)	1,326	-102%	(5,253)
Transfers and Grants	–	(650)	–	(2,582)	(12,186)	(325)	11,861	-3650%	(24,372)
NET CASH FROM/(USED) OPERATING ACTIVITIES	**77,977**	**141,809**	**–**	**25,448**	**73,426**	**70,905**	**(2,522)**	**-4%**	**34,955**
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	375	–	–	(1,478)	(1,496)	–	(1,496)	#DIV/0!	(2,993)
Decrease (Increase) in non-current debtors	–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables	–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments	–	–	–	–	11,600	–	11,600	#DIV/0!	23,200
Payments									
Capital assets	(99,118)	(129,720)	–	(17,309)	(30,495)	(64,860)	(34,365)	53%	(60,990)
NET CASH FROM/(USED) INVESTING ACTIVITIES	**(98,743)**	**(129,720)**	**–**	**(18,786)**	**(20,391)**	**(64,860)**	**(44,469)**	**69%**	**(40,782)**
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans	–	–	–	–	–	–	–		–
Borrowing long term/refinancing	–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits	–	–	–	83	2,833	–	2,833	#DIV/0!	5,666
Payments									
Repayment of borrowing	19,062	(3,000)	–	(1,416)	(4,276)	(1,500)	2,776	-185%	(8,553)
NET CASH FROM/(USED) FINANCING ACTIVITIES	**19,062**	**(3,000)**	**–**	**(1,333)**	**(1,444)**	**(1,500)**	**(56)**	**4%**	**(2,887)**
NET INCREASE/ (DECREASE) IN CASH HELD	**(1,704)**	**9,089**	**–**	**5,328**	**51,591**	**4,544**			**(8,714)**
Cash/cash equivalents at beginning:	2,081	–	–		378	–			378
Cash/cash equivalents at month/year end:	377	9,089	–		51,969	4,544			(8,337)

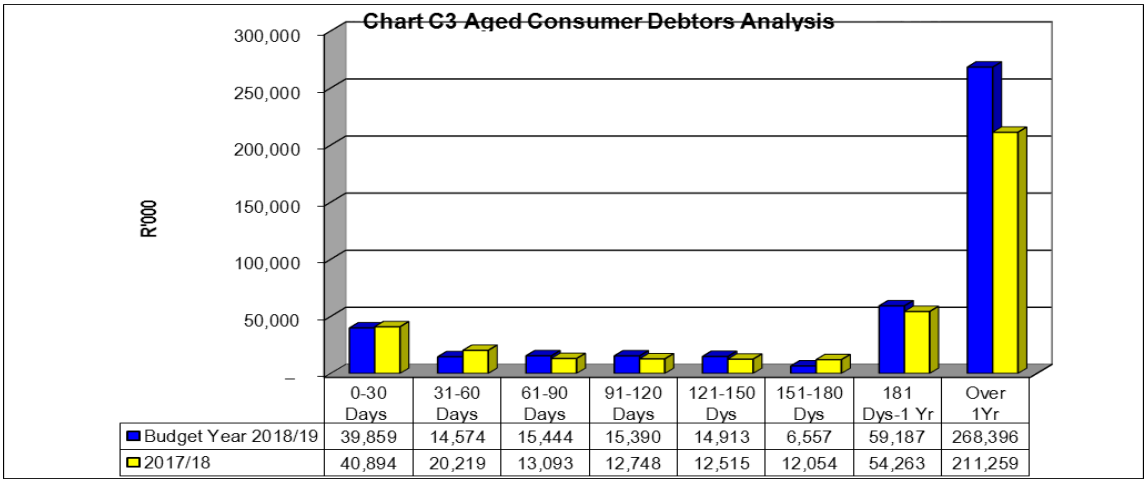
The municipality continue to suffer financially and it also fails to pay creditors when due, necessary control need to be implemented to increase the cash inflow as well as to decrease the outflow of cash.

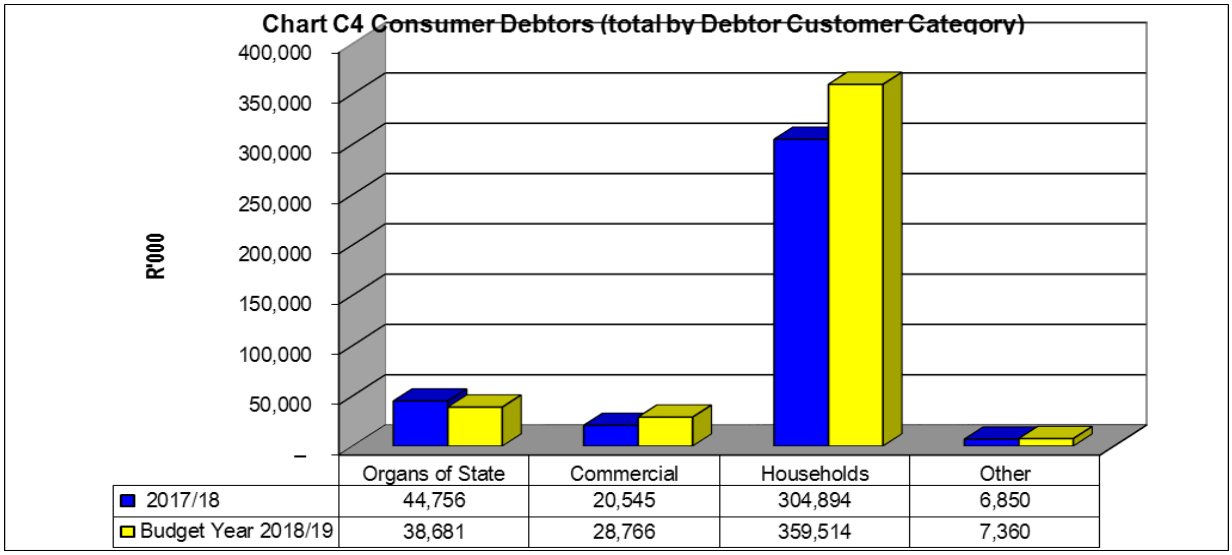
7. Outstanding Debtors Report-Table SC3

The debtors report is prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 31 December 2018 is R 434,321 million.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

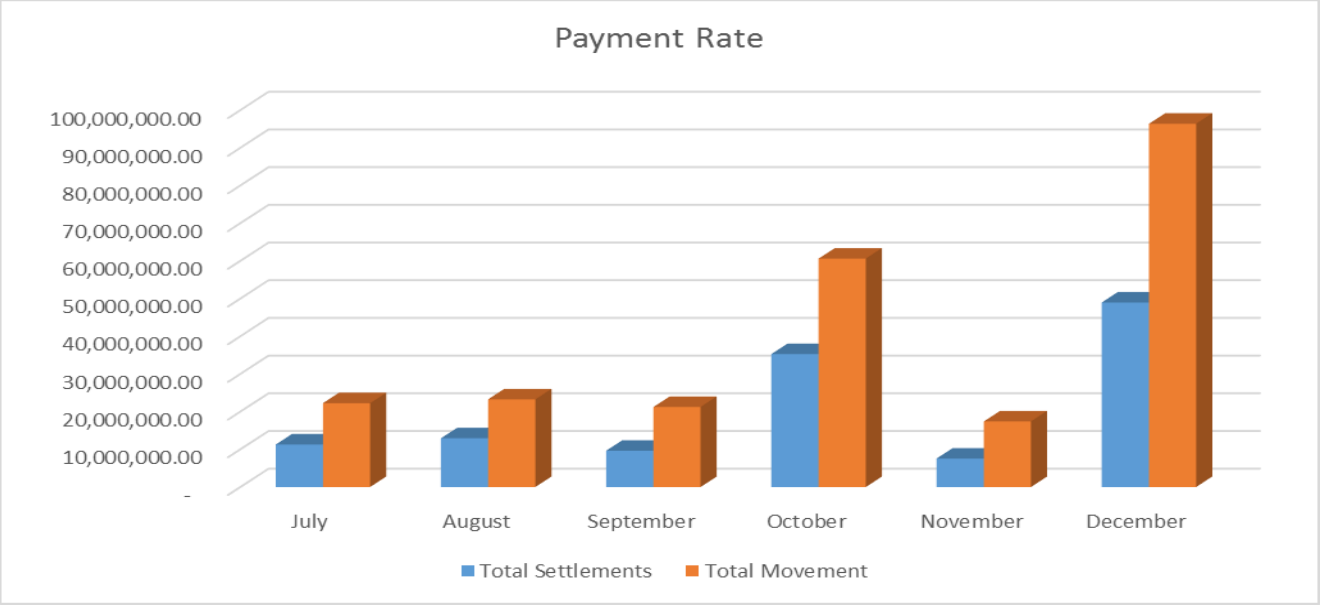
Description	Budget Year 2018/19									
R thousands	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water	8,510	3,708	3,603	3,675	3,511	2,859	14,213	64,227	104,306	88,485
Trade and Other Receivables from Exchange Transactions - Electricity	5,246	1,359	1,223	1,192	1,145	1,007	3,054	12,142	26,367	18,539
Receivables from Non-exchange Transactions - Property Rates	7,653	2,754	2,659	2,585	2,491	2,453	11,788	51,590	83,972	70,906
Receivables from Exchange Transactions - Waste Water Management	4,214	1,905	1,853	1,817	1,787	1,396	6,808	30,728	50,508	42,536
Receivables from Exchange Transactions - Waste Management	5,388	2,469	2,431	2,401	2,370	1,860	9,046	39,157	65,123	54,835
Receivables from Exchange Transactions - Property Rental Debtors	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	5,428	2,558	2,462	2,361	2,248	2,171	11,963	47,033	76,224	65,776
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	–	–	–	–	–	–	–	–	–	–
Other	3,419	(178)	1,215	1,359	1,361	(5,189)	2,315	23,519	27,820	23,365
Total By Income Source	**39,859**	**14,574**	**15,444**	**15,390**	**14,913**	**6,557**	**59,187**	**268,396**	**434,321**	**364,443**
Debtors Age Analysis By Customer Group										
Organs of State	3,951	312	1,589	1,625	1,564	(4,025)	8,065	25,601	38,681	32,830
Commercial	4,911	1,191	1,124	1,151	1,001	657	2,646	16,085	28,766	21,540
Households	30,379	12,847	12,642	12,499	12,070	9,778	47,764	221,536	359,514	303,647
Other	618	225	90	115	279	147	711	5,175	7,360	6,426
Total By Customer Group	**39,859**	**14,574**	**15,444**	**15,390**	**14,913**	**6,557**	**59,187**	**268,396**	**434,321**	**364,443**





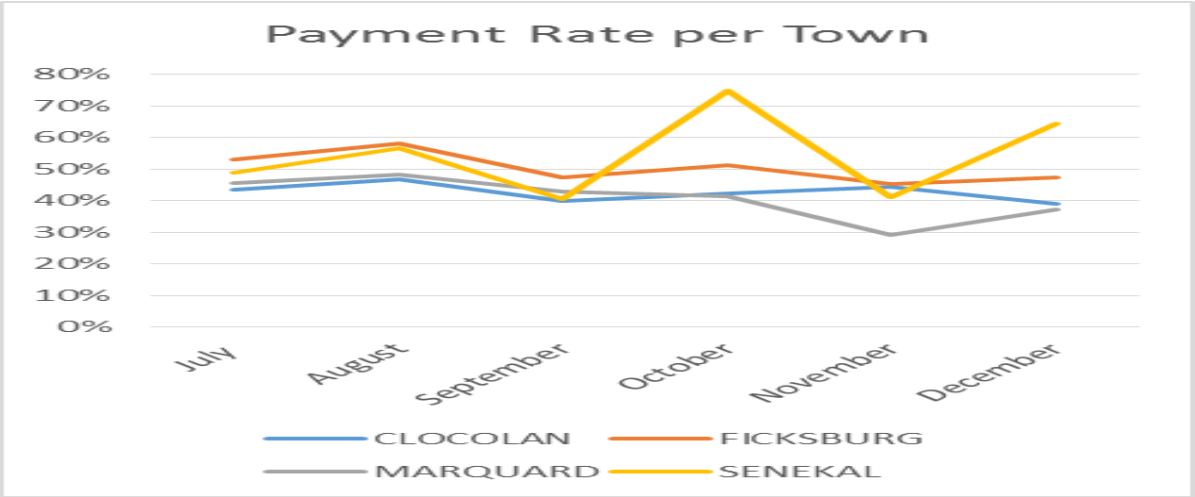
7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July	11,285,819.70	22,251,043.75	24,401,276.67	-260,646.99	105,530.16	-1,995,116.09	51%
August	12,945,878.33	23,267,084.96	24,555,524.50	-299,591.52	189,271.62	-1,178,119.64	56%
September	9,625,761.07	21,235,002.53	24,247,028.83	-221,702.45	21,788.69	-2,812,112.54	45%
October	35,289,125.93	60,604,342.04	71,311,315.99	-1,278,352.67	240,068.57	-9,668,689.85	58%
November	7,554,715.71	17,410,395.52	22,087,415.94	483,057.61	240,885.12	4,489,401.79	43%
December	48,964,503.32	96,396,414.96	115,383,177.60	2,134,396.55	732,654.19	17,598,325.20	51%
Total	**125,665,804.06**	**241,164,283.76**	**281,985,739.53**	**557,160.54**	**1,530,198.35**	**6,433,688.87**	**52%**

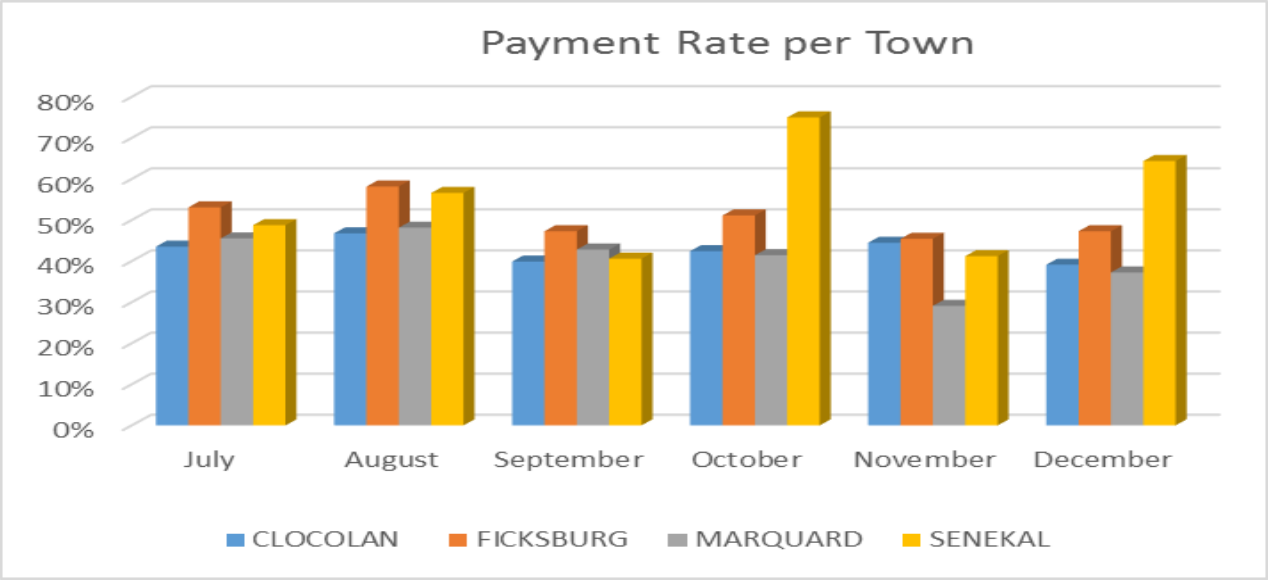


The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is 52% for the period.

7.2Payment Rate Graph



The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in towns which has payment rates that are lower than 50%.



7.3 Payment Rate by Town

	July	August	September	October	November	December
CLOCOLAN	44%	47%	40%	42%	44%	39%
FICKSBURG	53%	58%	47%	51%	45%	47%
MARQUARD	46%	48%	43%	41%	29%	37%
SENEKAL	49%	57%	41%	75%	41%	64%

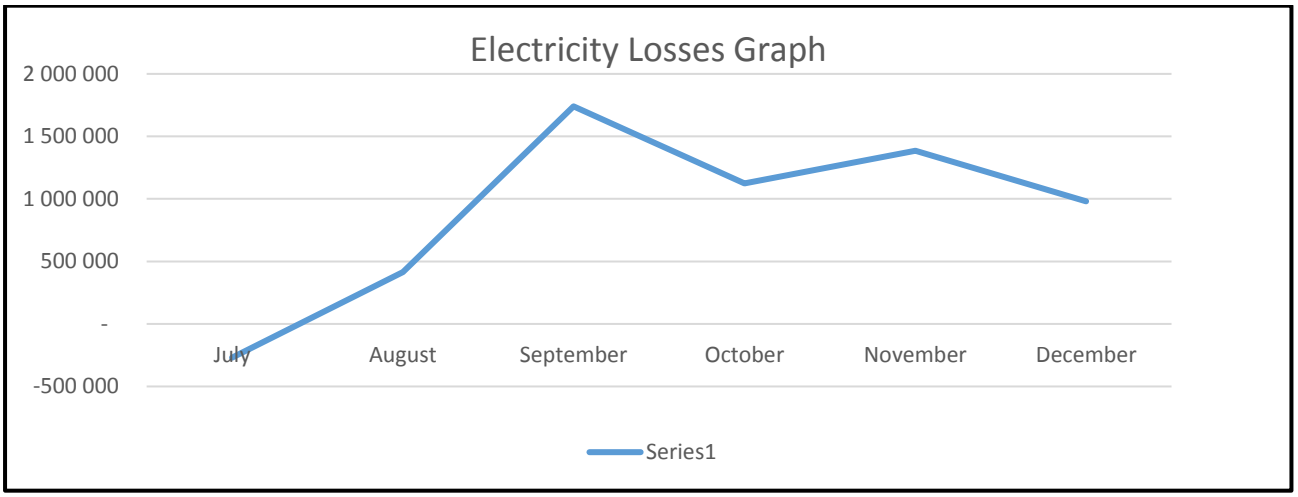
Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 01	18,537,320.60	30,532,033.17	31,398,754.46	-15,414.35	774,831.26	-125,372.54	61%
Ward 02	503,290.45	13,663,972.62	16,221,687.51	-4,571.10	-	785,303.37	4%
Ward 03	961,109.48	2,114,676.27	2,109,144.96	7,128.80	-	12,660.11	2.67
Ward 04	16,472,034.11	17,195,151.46	20,041,334.41	146,878.36	38,217.35	153,592.73	96%
Ward 05	272,960.29	3,606,364.02	5,728,823.49	-25,718.03	-	368,885.54	8%
Ward 06	15,007,215.91	21,988,132.68	26,542,716.47	63,001.32	2,657.04	1,004,330.26	68%
Ward 07	1,099,382.42	9,695,063.22	13,041,707.56	-20,186.23	-	398,521.33	11%
Ward 08	853,631.36	9,518,367.86	11,599,328.33	-	270,326.00	283,484.24	9%
Ward 09	15,366,362.72	22,959,794.45	24,650,725.23	144,478.83	49,806.31	425,406.42	67%
Ward 10	7,780,012.46	16,165,745.36	17,151,138.36	184,384.69	46,715.30	325,289.69	48%
Ward 11	479,808.93	8,185,366.75	11,269,519.01	8,994.69	-	451,796.99	6%
Ward 12	312,098.00	9,864,856.93	10,528,907.81	-3,639.32	-	468,536.12	3%
Ward 13	702,833.09	8,638,875.75	12,816,679.25	5,060.96	-	1,730,681.16	8%
Ward 14	669,034.60	8,276,015.57	10,506,697.16	649.98	-	-312,575.47	8%
Ward 15	38,252,478.91	42,000,352.32	45,244,787.76	59,920.83	283,524.25	1,170,303.53	91%
Ward 16	500,888.30	9,889,589.50	12,042,541.05	-5,779.41	-	-201,375.50	5%
Ward 17	1,554,681.40	6,869,925.87	11,091,246.75	11,970.51	64,120.84	-505,779.08	23%
Payment Advanced	6,340,661.08	-	-	-	-	-	0%
	125,665,804.06	**241,164,283.76**	**281,985,739.53**	**557,160.54**	**1,530,198.35**	**6,433,688.87**	**52%**

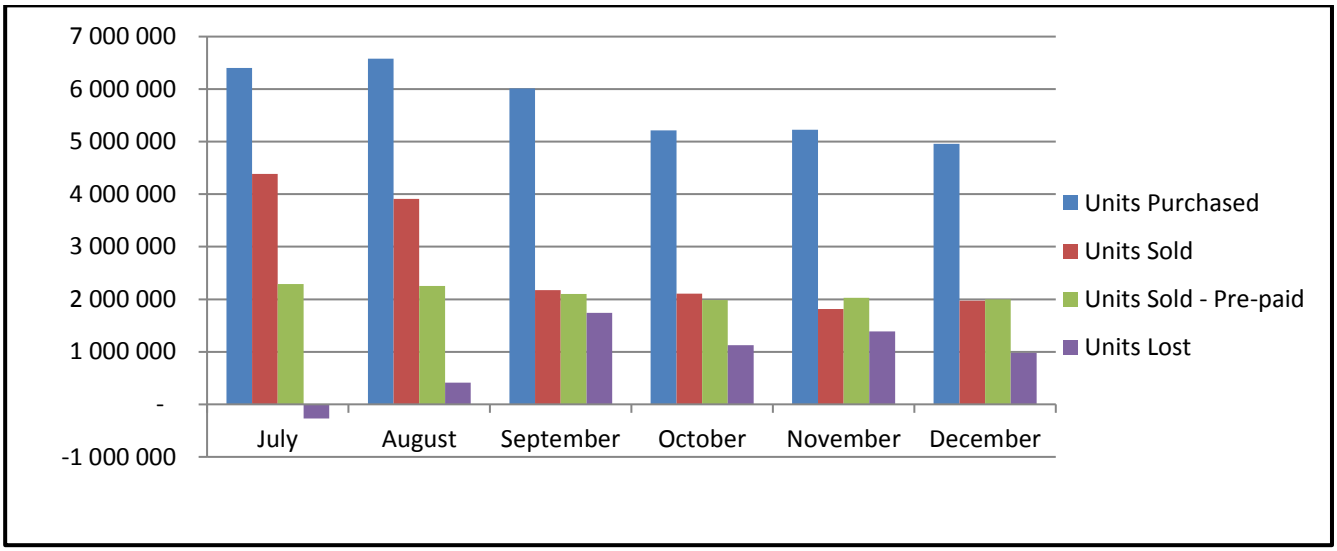
The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is 55%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

ELECTRICITY					
Period	**Units Purchased**	**Units Sold**	**Units Sold - Pre-paid**	**Units Lost**	**% Losses**
July	6,403,668	4,384,367	2,288,868	-269,567	-4%
August	6,579,502	3,910,406	2,255,557	413,539	6%
September	6,010,568	2,172,461	2,097,918	1,740,189	29%
October	5,216,146	2,107,226	1,983,862	1,125,058	22%
November	5,223,996	1,813,510	2,025,313	1,385,173	27%
December	4,955,689	1,974,711	1,999,168	981,810	20%
Total	**24,209,884**	**12,574,460**	**8,626,205**	**3,009,219**	**12%**

Percentage electricity losses account to an average of **12%** for year to date. The prescribed norm from National Treasury for electricity losses is estimated to be between 7% and 10%.

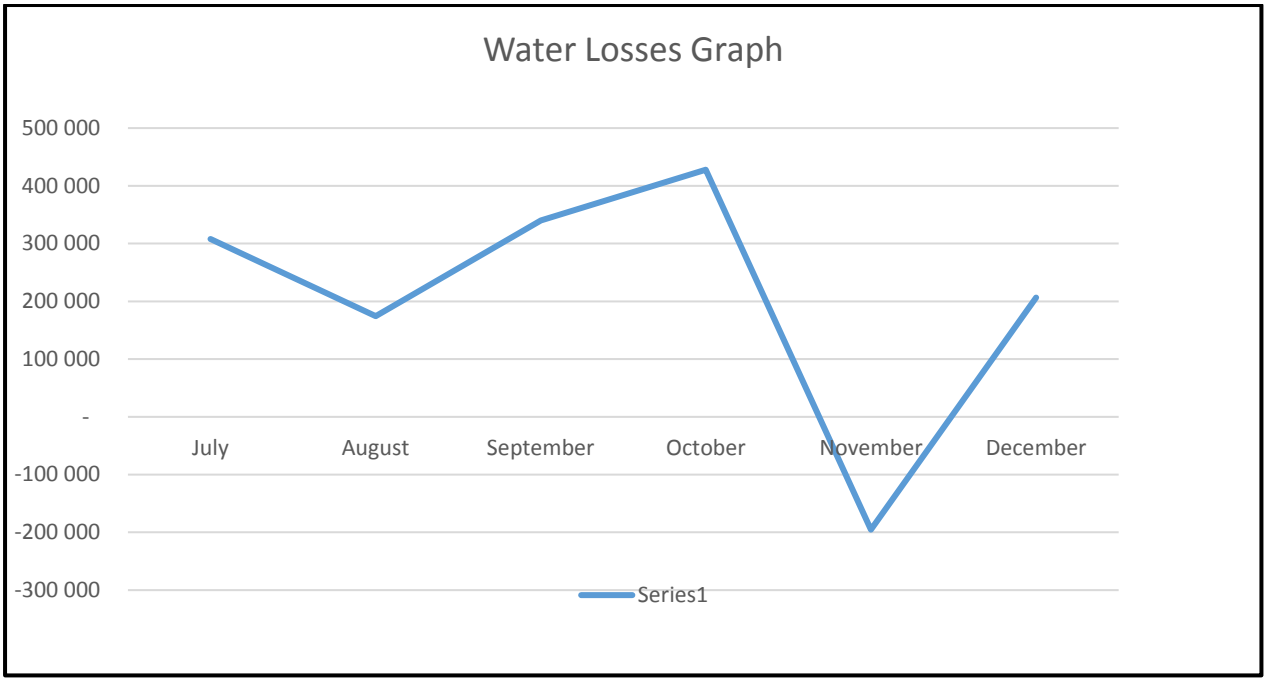


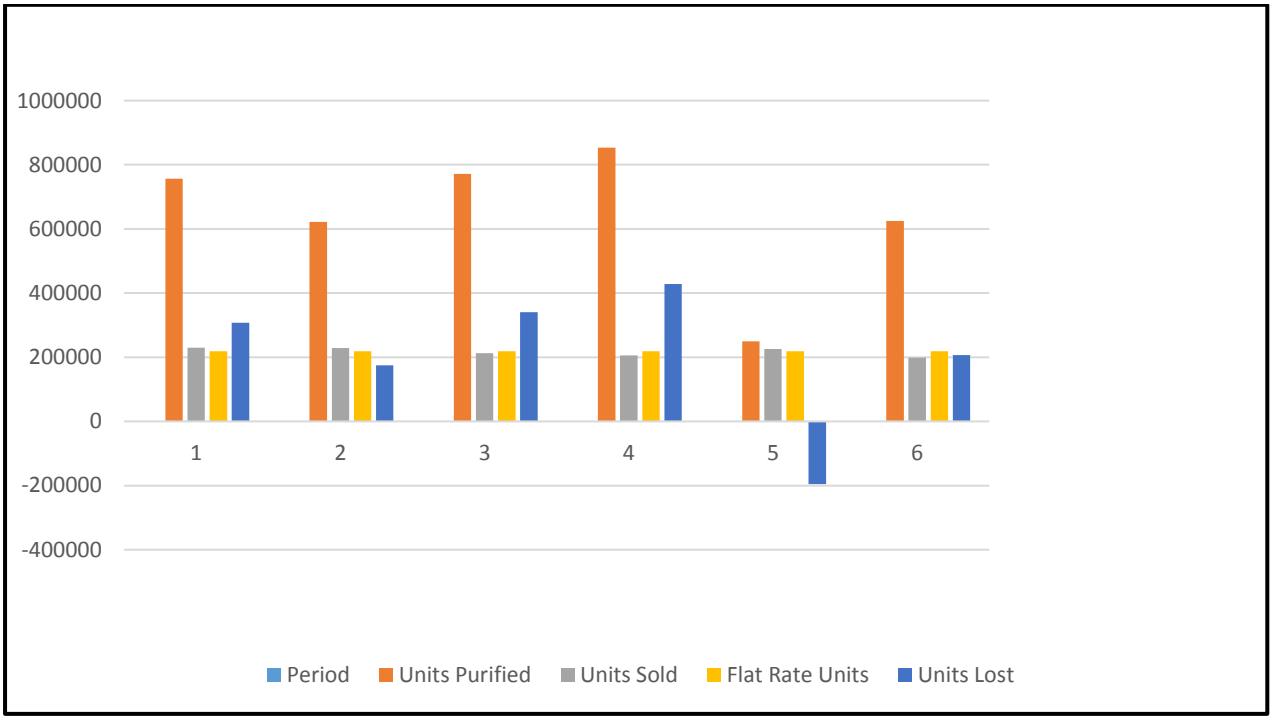


7.5 Water Losses

WATER					
Period	**Units Purified**	**Units Sold**	**Flat Rate Units**	**Units Lost**	**% Losses**
July	756,205	229,688	218,763	307,754	41%
August	622,281	228,838	218,889	174,554	28%
September	771,744	212,371	219,033	340,340	44%
October	852,945	205,966	219,060	427,919	50%
November	249,512	225,711	219,060	-195,259	-78%
December	624,734	199,220	219,051	206,463	33%
Total	**2,150,230**	**670,897**	**656,685**	**822,648**	**38%**

Percentage water losses account to an average of 38% for year to date and this include units consumed in township with a flat rate because meters are not read. The prescribed norm from National Treasury for water losses is estimated to be between 15% and 30%



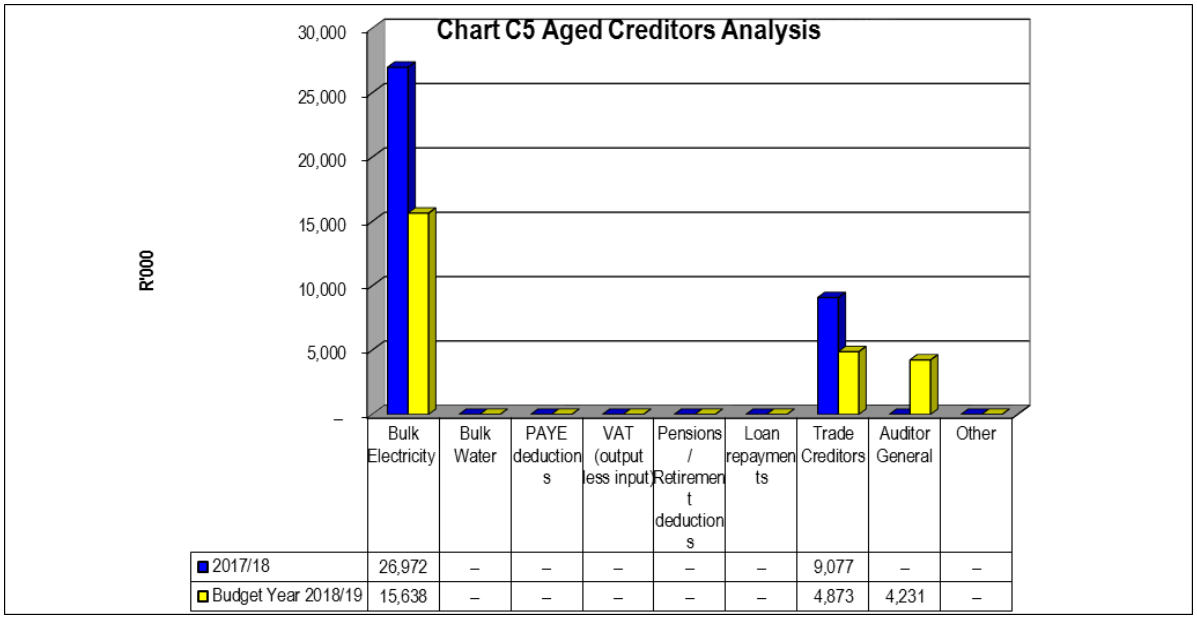


8. Outstanding Creditors Report-Table SC4

The table below illustrate the outstanding creditors per age amounting to R 24,741 million. The biggest contributor to the outstanding amount relates to the purchasing of bulk electricity. Payments arrangements have made with creditors.

FS191 Setsoto - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description	Budget Year 2018/19								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity	5,053	5,320	5,264	–	–	–	–	–	**15,638**
Bulk Water	–	–	–	–	–	–	–	–	**–**
PAYE deductions	–	–	–	–	–	–	–	–	**–**
VAT (output less input)	–	–	–	–	–	–	–	–	**–**
Pensions / Retirement deductions	–	–	–	–	–	–	–	–	**–**
Loan repayments	–	–	–	–	–	–	–	–	**–**
Trade Creditors	1,202	737	819	62	2,054	–	–	–	**4,873**
Auditor General	1,808	1,496	–	927	–	–	–	–	**4,231**
Other	–	–	–	–	–	–	–	–	**–**
Total By Customer Type	**8,063**	**7,553**	**6,083**	**988**	**2,054**	**–**	**–**	**–**	**24,741**



FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

Description of financial indicator	Basis of calculation	Ref	2017/18	Budget Year 2018/19			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		4.4%	36.7%	0.0%	2.1%	5.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		5.1%	3.8%	0.0%	2.4%	3.8%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	176.0%	285.7%	0.0%	811.5%	285.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.3%	0.7%	0.0%	83.5%	0.7%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		55.8%	74.4%	0.0%	150.3%	58.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	4.0%	11.0%		12.0%	11.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	25.0%	25.0%		38.0%	25.0%
Employee costs	Employee costs/Total Revenue - capital revenue		40.6%	46.1%	0.0%	31.5%	31.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		42.3%	53.7%	0.0%	1.3%	3.6%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		607.2%	971.6%		131.0%	3.9%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		396.6%	141.5%		387.0%	106.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		-2176.5%	25.3%		177.0%	70.6%

9. Borrowings

Loan Acc. No.	Institution	Average Interest rate	Loan number	Maturity date	Balance 2018-07-01	Capitalised / Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2018-12-31
	LONG-TERM LOANS								
13457	DBSA	16.75%	301	2020-06-30	938,230.83	0.00	61,747.93	378,025.64	560,205.19
101389	DBSA	11.36%	525	2024-12-31	4,718,816.12	0.00	245,969.41	701,804.87	4,017,011.25
	Total Long-term loans				**5,657,046.95**	**0.00**	**307,717.34**	**1,079,830.51**	**4,577,216.44**

Loan Acc. No.	Institution	Average Interest rate	Loan number	Maturity date	Balance 2018-07-01	Capitalised / Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2018-12-31
89515381	**ABSA**	10.00%		2022-06-01	754,383.98	0.00	36,198.45	78,626.13	675,757.85
89514989	**ABSA**	10.00%		2022-06-01	544,770.97	0.00	26,140.34	56,779.12	487,991.85
89515861	**ABSA**	10.00%		2022-06-01	421,052.96	0.00	20,203.84	43,884.50	377,168.46
89516256	**ABSA**	10.00%		2022-06-01	1,133,757.15	0.00	54,402.31	118,166.57	1,015,590.58
89516272	**ABSA**	10.00%		2022-06-01	1,133,757.15	0.00	54,402.31	118,166.57	1,015,590.58
89645110	**ABSA**	10.00%		2022-07-01	2,038,176.26	0.00	97,908.78	207,168.84	1,831,007.42
89644009	**ABSA**	10.00%		2022-07-01	924,586.73	0.00	44,414.79	93,978.87	830,607.86
89644076	**ABSA**	10.00%		2022-07-01	924,586.73	0.00	44,414.79	93,978.87	830,607.86
89516795	**ABSA**	10.00%		2022-06-01	51,750.77	0.00	2,483.21	5,393.77	46,357.00
89516779	**ABSA**	10.00%		2022-06-01	51,750.77	0.00	2,483.21	5,393.77	46,357.00
89897519	**ABSA**	10.00%		2022-09-01	1,334,727.08	0.00	64,250.76	129,188.64	1,205,538.44
89882457	**ABSA**	10.00%		2022-09-01	2,981,467.70	0.00	143,521.16	288,577.12	2,692,890.58
89862260	**ABSA**	10.00%		2022-09-01	1,335,450.92	0.00	64,285.61	129,258.67	1,206,192.25
89645145	**ABSA**	10.00%		2022-08-01	2,064,129.27	0.00	99,261.14	204,695.26	1,859,434.01
	TOTAL				**15,694,348.44**	**0.00**	**754,370.70**	**1,573,256.70**	**14,121,091.74**

Loan Acc. No.	Institution	Average Interest rate	Loan number	Maturity date	Balance 2018-07-01	Capitalised / Received during the period	Interest for the period	Redeemed / written off during the period	Balance 2018-12-31
85265501996	**WESBANK**	12.25%		2022-08-01	737,043.04	0.00	15,028.81	103,196.03	633,847.01
85265478490	**WESBANK**	12.25%		2022-09-01	1,082,395.03	0.00	23,845.65	154,859.37	927,535.66
85264693609	**WESBANK**	12.25%		2022-08-01	3,631,852.58	35,455.74	80,519.45	513,540.17	3,153,768.15
85264694308	**WESBANK**	12.25%		2022-08-01	3,631,852.58	35,455.74	80,519.45	513,540.17	3,153,768.15
85266334384	**WESBANK**	12.25%		2022-09-01	1,371,802.38	0.00	29,965.88	194,605.54	1,177,196.84
85266283448	**WESBANK**	12.25%		2022-09-01	1,371,802.38	0.00	29,965.88	194,605.54	1,177,196.84
85266284159	**WESBANK**	12.25%		2022-09-01	690,709.69	0.00	15,087.98	97,984.90	592,724.79
85265374058	**WESBANK**	12.25%		2022-09-01	1,082,395.03	0.00	23,845.65	154,859.37	927,535.66
	TOTAL				**13,599,852.71**	**70,911.48**	**298,778.75**	**1,927,191.09**	**11,743,573.10**

The municipality current have external borrowings from 3 financial institutions namely DBSA, ABSA and Wesbank and they are paid bi-annualy, monthly and quaterly respectively. The ABSA and Wesbank were recently taken up to buy serice delivery vehicles and has a five year fixed term.

10. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

10.1 Investment balances as at 31 December 2018

FS191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands	Yrs/Months							
Municipality								
Absa Bank	Yearly	Short-Term	30/062019			31		31
Estern FS Co-op	Yearly	Short-Term	30/062019			1,236		1,236
FNB	Monthly	Short-Term	31/12/2018	286	0.6%	49,130	132	49,262
Sanlam	Yearly	Short-Term	30/062019			2,213		2,213
TOTAL INVESTMENTS AND INTEREST				**286**		**52,610**	**132**	**52,741**

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
MONEY MARKET (Account Number: 62151783563)	R 9,386.81	R 141.53
BUSINESS CALL (Account Number: 62049046205)	R 2,312,115.09	R 243,031.87
MIG-INVESTMENT (Account Number: 62310540465)	R 46,940,117.15	R 1,019,495.19
TOTAL	**R 49,261,619.05**	**R 1,262,668.59**

The closing balances of call investments accounts amount to R 49,262 million at the end of 31 December 2018. Interest accumulated on investments is R 1,263 million.

10.2 Bank balances as at 31 December 2018

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
PRIMARY BANK (Account Number: 62048092647)	R 2,707,348.34	R 91,798.15
TOTAL	**R 2,707,348.34**	**R 91,798.15**

The closing balance as at 31 December 2018 is an amount of R 51,969 million.

DESCRIPTION	CLOSING BALANCE	INTEREST-TO DATE
MONEY MARKET (Account Number: 62151783563)	R 9,386.81	R 141.53
BUSINESS CALL (Account Number: 62049046205)	R 2,312,115.09	R 243,031.87
MIG-INVESTMENT (Account Number: 62310540465)	R 46,940,117.15	R 1,019,495.19
PRIMARY BANK (Account Number: 62048092647)	R 2,707,348.34	R 91,798.15
TOTAL	**R 51,968,967.39**	**R 1,354,466.74**

11. Financial Implications

Based on the information provided above it is evident that the municipality is facing serious financial implications and that some of performance targets will not be achieved. It has also been explained that in some areas items of revenue and expenditure need to be adjusted either upwards or downwards.
It is therefore recommended that the budget of 2018/19 MTREF be adjusted.

ANNEXURE B-NON-FINANCIAL PERFOMANCE REPORT

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline	Annual Target	1st Quarter		2nd Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual				Target	Target
Good Governance and Public Participation	Conduct Information Communication Technology Steering Committee meeting	Number of Information Communication Technology Steering Committee meeting held	4	4	1	0	1	2	The 1st Quarter ICT Steering Committee Was Held In The 2nd Quarter.			4	4
Good Governance and Public Participation	Production of security reports on the system	Number of security reports produced	4	4	1	1	1	1				4	4
Good Governance and Public Participation	Email and internet maintenance reports	Number of Email and internet maintenance reports produced	4	4	1	1	1	1				4	4
Good Governance and Public Participation	Review Information Communication Technology Security Policy	Number of Information Communication Technology security policy reviewed	1	1	0	0	0	0	3rd Quarter Target			1	1
Good Governance and Public Participation	Renew CIBECS disaster recovery license	Number of CIBECS licenses renewed	200	200	0	0	0	0	3rd Quarter Target			200	200
Good Governance and Public Participation	Review MICROSOFT volume license agreement renew	Number of MICROSOFT volume license agreement renew	1	1	1	0	0	1	SCM Appointed The Service Provider For The Tender On 29 November 2018			1	1
Good Governance and Public Participation	Renew Anti-malware and Anti-spyware	Number of Anti-malware and Anti-spyware licenses renewed	200	250	0	0	0	0	4th Quarter Target			250	250
Good Governance	Renew IMPERO remote	Number of IMPERO	200	200	0	0	0	0	4th Quarter Target			200	200

and Public Participation	administration licenses	licenses renewed											
Good Governance and Public Participation	Renew the ePMS license	Number of ePMS licenses renewed	1	1	1	1	0	0	1st Quarter Target			1	1
Good Governance and Public Participation	Disaster Recovery test on HRS-SERVER	Number of Disaster Recovery test conducted on HRS-SERVER	4	4	1	1	1	1				4	4
Good Governance and Public Participation	Disaster Recovery test on BARN-SERVER	Number of Disaster Recovery test conducted on BARN-SERVER	4	4	1	1	1	1				4	4
Good Governance and Public Participation	Disaster Recovery test on TERM-SERVER	Number of Disaster Recovery test conducted on TERM-SERVER	4	4	1	1	1	1				4	4
Good Governance and Public Participation	Mitigate identified public safety risk	Number of risk registers updated	4	4	1	1	1	1				4	4
Good Governance and Public Participation	Responding to External audit queries	Percentage of external audit queries responded within time frame	100%	100%	0%	0%	100%	100%				100%	100%
Good Governance and Public Participation	Responding to Internal audit queries	Percentage of Internal audit queries responded within time frame	100%	100%	100%	100%	100%	100%				100%	100%
Good Governance	Reduction of internal and external audit findings	Percentage reduction of external and internal audit findings	75%	90%	90%	90%	90%	90%				90%	90%

and Public Participation		responded to and addressed											
Good Governance and Public Participation	Updating of progress of audit action plan	Number of monthly update of progress on audit action plan	2	2	1	1	0	0	4th Quarter Target			2	2

5.1.1 Summary of Results: Key Performance Area:

	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.1.2 Measures taken to address under performance per indicator

FIRST QUARTER REPORT

01 JULY 2018-30 SEPTEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

5.1.1 Internal Audit Unit

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline	Annual Target	First Quarter		Second Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual				Target	Target
Good Governance and Public Participation	Review and approve of the Internal Audit Unit Charter	Number of the reviewed and approved Internal Audit Unit Charter	1	1	1	1	0	0				1	1
	Review and approve of the Audit and Performance Audit Committee Charter	Number of the reviewed and approved Audit and Performance Audit Committee Charter	1	1	1	1	0	0				1	1
	Review and Approve Internal Audit Strategic Plan	Number of approved Internal Audit Strategic Plan	1	1	1	1	0	0				1	1
	Review and Approve of the Coverage Plan	Number of approved Coverage Plan	1	1	1	1	0	0				1	1
	Drafting of covering letter on quarterly plans	Number of covering letters on quarterly plans drafted	21	21	3	3	6	12				21	21
	Implementation of the coverage plan	Number of progress report in implementation of Coverage Plan	4	4	1	1	1	1				4	4
	Conducting ad hoc	Percentage on ad hoc audit conducted	100%	100%	100%	0%	100%	40%	Document requested have been collected as			100%	100%

									the Unit has started with the audits and the report will be finalised during the third quarter.				
	Review and Approve Internal Audit Procedural Manual	Number of Internal Audit Procedural Manual reviewed and approved	1	1	1	1	0	0				1	1
	Development of Procurement Plan developed	Number of Procurement Plan developed	1	1	1	1	0	0				1	1
	Approval and submission of attendance registers, leaves and overtime for processing by Payroll Division	Percentage of Attendance Registers; Leave and Overtime processed	100%	100%	100%	100%	100%	100%				100%	100%
	Review of the Quality Assurance and Improvement Programme	Number of reviewed Quality Assurance and Improvement Programme	1	1	1	1	0	0				1	1
	Compilation and submission of quarterly reports	Number of quarterly audit reports compiled and submitted	31	31	3	4	9	9				31	31
	Compilation of follow-up audit reports	Number of follow-up audit reports	4	4	1	1	1	1				4	4
	Compilation of quality assurance report	Number of internal assessment reports	4	4	1	1	1	1				4	4
	Compilation of quality assurance report	Number of Quality Assurance Reports	4	4	1	1	1	1				4	4

		compiled and submitted to Audit and Performance Audit Committee.											
	Provision of quality assurance on action plans	Number of quality assurance reports submitted on action plan.	2	2	1	1	1	1				2	2
	Management of Audit and Performance Audit Committee	Number of quality assurance reports compiled and submitted to Council.	4	4	1	1	1	1				4	4
	Compilation of Audit and Performance Audit Committee resolutions	Number of resolution registers compiled and submitted to Audit and Performance Audit Committee.	4	4	1	1	1	1				4	4
	Compilation of Audit and Performance Audit Committee Report	Number of reports submitted to council	4	4	1	1	1	1				4	4
	Coordination of the External Audit activities	Number of audit steering meetings coordinated	4	4	1	4	1	4				4	4
	Mitigate identified risk	Number of registers updated	4	4	1	0	1	1	The register that was submitted for fourth quarter reflect the target to be mitigated on the first quarter.			4	4

	Compilation of Internal Audit Findings Control Registers	Number of Internal Audit Findings Control Registers compiled	4	4	1	1	1	1				4	4

5.1.1 Summary of Results: Key Performance Area:

	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.1.2 Measures taken to address under performance per indicator

5.2 Department of Corporate Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.2.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.2.2 Measures taken to address under performance per indicator

5.3 Treasury Services Department

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.3.2 Measures taken to address under performance per indicator

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.4.1 Summary of Results: Key Performance Area

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.2 Measures taken to address under performance per indicator

5.5 Development Planning and Social Security

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual				Target	Target

5.5.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.5.2 Measures taken to address under performance per indicator

6. Conclusion

For the period under review **----** targets were not met, **---** targets were almost met, **---** targets were met**, ---** targets were well met and **----** targets were extremely met. A total of **---** targets were set for the first quarter of which **--- (---%)** were on targets and **---(---%)** were not met or were almost met. Measures needs to be put in place to address these targets were performance was not achieved.

7. **Municipal Manager's quality certification**

QUALITY CERTIFICATE: 12 OCTOBER 2018

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the First Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

_____
RAMAKARANE STR
MUNICIPAL MANAGER
12 OCTOBER 2018

FIRST QUARTER REPORT

01 OCTOBER 2018-31 DECEMBER 2018



OFFICE OF THE MUNICIPAL MANAGER
RISK MANAGEMENT DIVISION
SETSOTO LOCAL MUNICIPALITY
FICKSBURG 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline	Annual Target	First Quarter		Second Quarter		Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual			Target	Target
Good Governance and Public Participation.	To provide Strategic Leadership on the Strategic Operational activities of the Municipality.	Number of Risk Registers.	4	4	1	1	1	1			4	4
Good Governance and Public Participation.	To provide Strategic Leadership on the Strategic Operational activities of the Municipality.	Number of Risk Management workshops/ presentations conducted.	1	1	0	0	0	0			0	0
Good Governance and Public Participation.	To provide Strategic Leadership on the Strategic Operational activities of the Municipality.	Number of Anti-fraud and Corruption workshops/ presentations conducted.	1	1	0	0	0	0			0	0

5.1.1 Summary of Results: Key Performance Area:

	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	

	KPI Well Met	
	KPI Extremely Met	
Total		

5.1.2 Measures taken to address under performance per indicator

5.2 Department of Corporate Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.2.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.2.2 Measures taken to address under performance per indicator

5.3 Treasury Services Department

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	

	KPI Well Met	
	KPI Extremely Met	
Total		

5.3.2 Measures taken to address under performance per indicator

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.4.1 Summary of Results: Key Performance Area

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	

	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.2 Measures taken to address under performance per indicator

5.5 Development Planning and Social Security

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual				Target	Target

5.5.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	

	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.5.2 Measures taken to address under performance per indicator

6. Conclusion

For the period under review **----** targets were not met, **---** targets were almost met, **---** targets were met**, ---** targets were well met and **----** targets were extremely met. A total of **---** targets were set for the first quarter of which **--- (---%)** were on targets and **---(---%)** were not met or were almost met. Measures needs to be put in place to address these targets were performance was not achieved.

7. **Municipal Manager's quality certification**

QUALITY CERTIFICATE: 12 OCTOBER 2018

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the First Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

_____
RAMAKARANE STR
MUNICIPAL MANAGER
12 OCTOBER 2018

SECOND QUARTER & MID YEAR REPORT

2018/2019

CORPORATE SERVICES
SETSOTO LOCAL MUNICIPALITY
FICKSBURG 9730

5.2 Department of Corporate Services

5.2.1 Human Resources Management Division

Key Performance Area	Predetermined Objective	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Organisational Development and Transformation	Development of Corporate Services Excellence	Percentage of coordinated positions to filled	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved				
Organisational Development and Transformation		Percentage of labour requisitions finalized	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Percentage of positions advertised	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Percentage of interviews co-ordinated and finalized	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Percentage of inductions conducted	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Percentage of the effectiveness on administration of HRM	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved				

Key Performance Area	Predetermined Objective	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Organisational Development and Transformation	Development of Corporate Services Excellence	No of policies reviewed	100%	100%	100%	0%	100%	0%	100%	0%	Target not achieved as the division has developed an action plan to address all				

											outdated policies				
		Percentage towards completeness of gathering inputs for review and adoption by council	100%	100%	100%	40%	100%	40%	100%	40%	Target not achieved as the process of revising the structure is not yet finalised. Cogta still to engage the inputs of the Strat Plan				
		Percentage of employee benefits administered	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved				
		Percentage of terminations administered	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Percentage towards awareness made on health and safety at workplace	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Number of assessments conducted	16	16	4	5	4	5	8	10	Target over achieved			100%	100%
		Percentage of cases managed and submitted to DOL	**100%**	**100%**	100%	100%	100%	**100%**	100%	**100%**	Target Achieved				
		Percentage towards the effectiveness programmes conducted	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			16	16
		Percentage of completeness of programmes conducted	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			4	4

Key Performance Area	Predetermined Objective	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Good governance and Public Participation	Development of Corporate Services Excellence	Percentage of risk within a tolerable level	100%	100%	100&	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Number of quarterly risk reports updated	**4**	4	**1**	**0**	**1**	**1**	**2**	**1**	Target not achieved as the departmental risk committee did not sit during the first quarter				
		Percentage of Internal and External Audit queries responded to within the required time	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
		Percentage responded to addressed within the required time	100%	100%	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	Target Achieved				
		Number of monthly updated of progress on audit action plan	12	12	4	1	4	0	8	1	Target not achieved as the last month for reporting on the action plan ends at end of July	Target to be revised to exclude the period of auditing by AG			

5.2.1 Summary of Results: KPA 3-Organisational Development and Transformation

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	2

	KPI Almost Met	
	KPI Met	3
	KPI Well Met	
	KPI Extremely Met	
Total		**5**

5.2.2 Summary of Results: KPA 5-Good Governance and Public Participation

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	1
	KPI Almost Met	1
	KPI Met	12
	KPI Well Met	
	KPI Extremely Met	1
Total		**15**

Measures taken to address under performance per indicator

The division has already developed an action plan to address the issue of all HR related policies that needs to be reviewed which will be addressed in the third quarter. After the structure was revised during the strategic session which was held during the first quarter, the Department of Cogta was engaged with the view to assist us in giving an expert advice in terms of organisational development before the structure can be tabled to council. The division will still pursue engagements to check when the department will second an official to assist in this regard. The second quarter's risk meeting did not sit but the target will be addressed during the third quarter.

5.2.2 Human Resource Development

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-Year		Comment On Variance	Performance Review Comments	Performance Review comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Submission of Workplace Skills Plan	1	1	0	0	0	0	0	0	4th Quarter Target			1	1
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Submission of Annual Training Report (ATR) to LG SETA	1	1	0	0	0	0	0	0	4th Quarter Target			1	1
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Conducting Skills Audit	1	1	0	0	0	0	0	0	3rd Quarter Target			1	1
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Submission of monthly implementation report to Management and Council	12	12	3	3	3	3	6	6	Target Achieved			12	12
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Submission of EEA 2 reports to Department of Labour	1	1	0	0	0	0	0	0	3rd Quarter Target			1	1
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Submission of EEA 4 reports to Departme	1	1	0	0	0	0	0	0	3rd Quarter Target			1	1

		ntal of Labour													
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Conducting of EEA1 forms analysis	1	1	0	0	0	0	0	0	3rd Quarter Target			1	1
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Registration of employees to study at higher learning	12	12	6	6	0	0	6	6	Continuation of Registered Officials and Councillors			12	12
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Awareness Campaigns on Equity, Skills Development & Code of Conduct	1	1	0	0	0	0	0	0	3rd Quarter Target			1	1
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Disciplinary cases, conciliations and arbitration processed	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
Organisational Development & Transformation	Development of the Corporate Services Excellence.	Reports on the disciplinary cases to be submitted to the Management	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good Governance and Public Participation	Good Governance	Risk Management	4	4	1	1	1	1	2	2	Target Achieved			4	4

Good Governance and Public Participation	Good Governance	Addressing Audit Queries	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%

5.2.2.1 Summary of Results: Key Performance Area: Organisational Development

Colour	Achievement	Number
	KPI Not Yet Measure	7
	KPI Not Met	0
	KPI Almost Met	
	KPI Met	4
	KPI Well Met	
	KPI Extremely Met	
Total		**11**

5.2.2.2 Summary of Results: Key Performance Area: Good Governance

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	2
	KPI Well Met	
	KPI Extremely Met	
Total		**2**

5.2.3 Measures taken to address under performance per indicator

The new Risk Register will be the resort for the Municipality for reporting, this was as a result that the termination of the contract of the Barnowl system.

5.2.3 Payroll Administration

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	1st Quarter 2018/2019		2018/2019 2nd Quarter		Mid Year 2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Good governance and public participation	Develop Corporate Services Excellence	Number of Payroll processed on or before the 25th of every month	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good governance and public participation	Develop Corporate Services Excellence	Number of reviews conducted on the monthly payroll	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good governance and public participation	Develop Corporate Services Excellence	Number of reviews on reconciliation of payroll data	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good governance and public participation	Develop Corporate Services Excellence	Number of Journals as generated and review	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good governance and public participation	Develop Corporate Services Excellence	Number of Overtime and Standby reports	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good governance and public participation	Develop Corporate Services Excellence	Number of months that third parties are processed on or before the 3rd of every month	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good governance and public participation	Develop Corporate Services Excellence	Number of reviews to the monthly deductions reconciliations	12	12	3	3	3	3	6	6	Target Achieved			12	12

Good governance and public participation	Develop Corporate Services Excellence	Percentage of Leave processed	100%	100%	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	Target Achieved			100%	100%
Good governance and public participation	Develop Corporate Services Excellence	Number of Reports of Sick Leave compiled	12	12	**3**	**3**	**3**	**3**	**6**	**6**	Target Achieved			12	12
Good governance and public participation	Compile Monthly Absenteeism Reports	Number of Reports of Absenteeism compiled	12	12	**3**	**3**	**3**	**3**	**6**	**6**	Target Achieved			12	12

5.2.3.1 Summary of Results: Key Performance Area: ORGANISATIONAL Development

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	10
	KPI Well Met	
	KPI Extremely Met	
Total		**10**

5.2.3.2 Measures taken to address under performance per indicator

- None as all targets achieved.

5.2.4 Administration and Support Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	1st Quarter 2018/2019		2018/2019 2nd Quarter		Mid Year 2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Good Governance and Public Participation	Develop Corporate Services Excellence	Percentage of Planned Records Management Programmes Implemented	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved Daily Activities were attended as required			100%	100%
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Awareness Workshops held	1	2	1	0	0	0	1	0	1ST Quarter Target not achieved Awareness Workshops were to take place however due to other commitments of the Manager due to Acting DCS appointment it could not materialise and will be provided for in 3rd quarter. however the presentation document has been drafted.			1	1
Good Governance	Develop Corporate	Number of Reports of	1	1	0	0	1	1	1	1	Target Achieved			1	1

and Public Participation	Services Excellence	Records Disposed													
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Reports of Records Transferred	1	1	0	0	0	0	0	0	4th Quarter Target			1	1
Good Governance and Public Participation	Develop Corporate Services Excellence	Percentage of Resolutions Implemented	93.24%	100%	100%	100%	100%	100%	100%	100%	Target Achieved – 105 resolutions implemented.			100%	100%
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Yearplans compiled and circulated	1	1	0	0	0	0	0	0	3rd Quarter Target			1	1
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Council Meetings co-ordinated	4	4	1	3	1	3	2	6	Target Over Achieved Special Meetings Co-ordinated			4	4
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Mayco Meetings co-ordinated	12	12	3	3	3	4	6	7	Target Over Achieved due to Mini Exco Meetings			12	12
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Annual Analysis Reports on Attendance of Meetings by Councillors	1	1	0	0	0	0	0	0	4th Quarter Target			1	1
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Quarterly Reports on Absenteeism compiled and	4	4	1	1	1	1	2	2	Target Achieved			4	4

		submitted to the Speaker													
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Updates to the Analysis Report	0	4	1	1	1	1	2	2	Target Achieved			4	4
Good Governance and Public Participation	Develop Corporate Services Excellence	Percentage of Complaints attended to in respect of Telephone and Reprographic Services and Systems	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved. 37 Complaints Reported and 37 Attended			100%	100%
Good Governance and Public Participation	Develop Corporate Services Excellence	Review systems and compile cost benefit analysis	1	1	1	1	0	0	1	1	1st Quarter Target Achieved			1	0
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Deductions Lists submitted to salary	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Reconciliations reviewed and submitted	12	12	3	3	3	3	6	6	Target Achieved			12	12
Good Governance and Public Participation	Develop Corporate Services Excellence	Appointment of Service Provider for Leasing of Reprographic Equipment	1	1	0	0	0	0	0	0	4th Quarter Target			0	0
Good Governance	Develop Corporate	Percentage of Satisfaction on Cleaning Services	100%	100%	0%	0%	0%	0%	0%	0%	Only measurable after satisfaction			100%	100%

and Public Participation	Services Excellence										survey in 4th quarter				
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Cleaning Services Satisfaction Surveys Conducted	1	1	0	0	0	0	0	0	3rd Quarter Target			1	1
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Analysis Reports on Satisfaction Survey compiled	1	1	0	0	0	0	0	0	4th Quarter Target			1	1
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Bylaws / Policies Developed and Reviewed	19	2	0	0	0	0	0	0	4th Quarter Target			1	1
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Bylaw compiled and/or reviewed	19	2	0	0	0	0	0	0	4th Quarter Target			1	1
Good Governance and Public Participation	Develop Corporate Services Excellence	Number of Policies compiled and/or reviewed	1	2	1	1	0	0	1	1	Draft Policy compiled however it must still be approved by Council after discussion in Management			2	2

5.2.4.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	9
	KPI Not Met	0

	KPI Almost Met	1
	KPI Met	10
	KPI Well Met	1
	KPI Extremely Met	1
Total		**22**

5.2.4.2 Measures taken to address under performance per indicator

- Indicators not achieved during at Mid Year of 2018/2019 only relates to the Workshop on Records Managements which has not yet been held. The workshops will be held during the 3rd quarter and by year end, target will be fully achieved.

5.2.5 LEGAL AND CONTRACT MANAGEMENT DIVISION.

Key Performance Area	Planning Statement	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual	Target	Actual	Target	Actual				Target	Target
	Compile and update a monthly contract register within SLM	Number of monthly contracts registers compiled and updated	12	12	3	3	3	3	6	6	Target Achieved			3	3
	Compile payments monitoring tool for payment iro contracts within SLM	Number of monitoring tools compiled for payment iro contracts within SLM	0	1	1	0	0	0	1	1	Target Achieved			1	1
	To facilitate the development and review of corporate policy	Number of corporate services policies developed and reviewed	27	8	2	0	2	0	4	0	Target not achieved. Did not manage to meet with relevant stakeholders to finalise the review of policies. Will be attended to in 3rd Quarter			8	8
	Co-ordinate engagement sessions for policy review	Number of engagement sessions coordinated	27	4	1	0	1	0	1	0	As a result of Audit in second quarter review of policies could not be done Policies will be prioritised in 3rd quarter			4	4

	Update the policy matrix	Number of Updates to Policy Matrix	1	2	1	1	1	1	2	2	Target Achieved			2	2
	Risk Management	Percentage of Risk within a tolerable level	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			1005	100%
	Risk Management	Number of Monthly Risk Reports updated	4	4	1	0	1	1	2	1	Target Achieved			4	4

Key Performance Area	Planning Statement	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Organisational Development and Transformation	Addressing of Audit Queries	Percentage of Internal and External Audit Queries responded to within the required timeframe.	100%	100%	100%	100%	100%	100%	100%	100%	Target Achieved			100%	100%
	Updating of Progress of Audit Action Plan	Number of monthly update of progress on audit action plan	12	12	3	0	3	0	6	0	Target not Achieved due to the fact that AG was busy with audit hence a report was not submitted			12	12

5.2.1 Summary of Results: KPA 3-Organisational Development and Transformation

Colour	Achievement	Number
	KPI Not Yet Measured	1
	KPI Not Met	3
	KPI Almost Met	1
	KPI Met	5

	KPI Well Met	4
	KPI Extremely Met	0
Total		**14**

5.2.5.1 Summary of Results: KPA 5-Good Governance and Public Participation

Colour	Achievement	Number
	KPI Not Yet Measured	0
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	1
	KPI Well Met	1
	KPI Extremely Met	0
Total		**2**

5.2.5.1 Measures taken to address under performance per indicator

The following targets could not be met as a result of a standing vacancy of the Manager Legal position:

- **Percentage of legal advice and opinions provided timeously within SLM.**
- **Number of Corporate Services Policies Developed and Reviewed.**
- **Number of engagement sessions.**

The unit therefore propose that filing of this position be prioritised as a matter of urgency as it also has a negative impact on performance of this division. The second target on Eviction Application made, during this quarter, there were no applications submitted for evictions, but in future when there as applications the division ensure giving it the necessary attention.

Lastly on the Audit Action Plan, the division will in the next financial year revise the target on submission of the Action Plan, as the number of 12 reports to be submitted is way more than the months that the report should be submitted. Consideration will be given on the time AG is here for audit so that we should exclude those months.

5.2.6 **CONSOLIDATION OF RESULTS FOR CORPORATE SERVICES**

KPA 3-Organisational Development and Transformation

Colour	Achievement	Number
	KPI Not Yet Measured	8
	KPI Not Met	5
	KPI Almost Met	1
	KPI Met	22
	KPI Well Met	4
	KPI Extremely Met	0
Total		**40**

KPA 5-Good Governance and Public Participation

Colour	Achievement	Number
	KPI Not Yet Measured	9
	KPI Not Met	1
	KPI Almost Met	2
	KPI Met	25
	KPI Well Met	2
	KPI Extremely Met	2
Total		**41**

SECOND/MID YEAR QUARTER REPORT

01 JULY 2018-31 DECEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5.3 Treasury Services Department –Asset Management Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Compliance of Assets Register as per the GRAP Requirements	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Update of the Fixed asset Register	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Asset physical verification conducted	4	4	**1**	**1**	1	1	2	2	Met			4	4
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and	Reconciliation between FAR and GL	12	12	**3**	**3**	3	3	6	6	Met			12	12

	controlling of the monetary resources of the municipality														
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Quarterly responsibility to answer audit issues	4	4	**1**	**1**	1	0	2	1	Met			4	4
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Monthly Financial report for FINCOM	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Review of Policies	1	1	0	0	0	0	0	0	Met				
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Year Assistance in the Drawing of AFS after year end	1	1	1	1	0	0	1	1	Met			1	1

Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Mitigating identified Asset Management Risk	4	4	1	1	1	1	2	2	Met			4	4

Budget and Financial Reporting

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Manage and oversee layout and balancing of general ledger	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Approve and control all year-end journals	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing,	Yearly Approve journals in respect of capital	1	1	1	1	0	0	1	1	Met			1	1

	monitoring, organizing and controlling of the monetary resources of the municipality.)	changes and the reconciliation of amounts debited from the General Ledger to the loans register													
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Control suspense accounts	12	12	3	3	3	3	6	6	Met			3	3
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of	Yearly Draw up the Financial Statements of the municipality within two months after year-end	1	1	1	1	0	0	1	1	Met			1	1

	the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Ensure the submission of the Financial Statements to Auditor-General, PT and NT	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Ensure that a year closing on the computer system is done	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing	Yearly Manage and compiling of year-end planning timetable	1	1	0	0	0	0	0	0	Not Yet Due			1	1

	and controlling of the monetary resources of the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Control over the calculation of capital charges for the current and future loans	1	1	0	0	0	0	0	0	Not Yet Due			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Ensure that budget documents to Departmental and section heads being send out	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and	Sound financial management-	Yearly Advise with the drawing	1	1	0	0	0	0	0	0	Not Yet Due			1	1

Management	(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	up a capital Budget of all current and newly identified projects													
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Arrange meetings with Departmental/Section Heads and Municipal Manager To establish preliminary expected expenditure for the budget	2	2	0	0	0	0	0	0	Not Yet Due			2	2
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary	Monthly Manage and control that loans are handling correctly.	12	12	3	3	3	3	6	6	Met			12	12

	resources of the municipality.)														
Financial Viability and Management	Sound financial management- (The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Review the loans register and reconcile with individual loans	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management- (The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Manage and control that funds and reserves are handling correctly.	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management- (The planning, directing, monitoring,	Yearly Review the register for all funds	1	1	1	1	0	0	1	1	Met			1	1

	organizing and controlling of the monetary resources of the municipality.)	and reserves.													
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Supervise and authorise that year-end journals being done correctly	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Manage and control that investments are handling correctly.	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and	Sound financial	Monthly Co-responsible	12	12	3	3	3	3	6	6	Met			12	12

Management	management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	for investments in conjunction with the Manager Expenditure and Financial Director.												
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Obtain monthly information regarding interest received	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of	Monthly Manage and control that statistics are handling correctly.	12	12	3	3	3	3	6	6	Met			12	12

	the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Review that statistics data information being kept for reports	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Compile specialist reports to the CFO and Municipal Manager as requested.	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing	Review monthly financial report for FINCOM	12	12	3	3	3	3	6	6	Met			12	12

	and controlling of the monetary resources of the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Quarterly Co-responsible to answer related internal and external audit reports	4	4	1	1	1	1	2	2	Met			4	4
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Number of Days Act as Financial Director (CFO) when necessary.	24	24	6	10	6	44	12	54	Extremely Met			24	24
Financial Viability and	Sound financial management-	Half yearly Co-responsible	2	2	0	0	0	0	0	0	Not Yet Due			2	2

Management	(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	for training of personnel on a continuous basis													

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	5
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	21
	KPI Well Met	0
	KPI Extremely Met	1
Total		**27**

Expenditure Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Management of insurance cover	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Renewed annual insurance cover	1	1	**1**	**1**	0	0	1	1	Met			1	1
Facilitate insurance claim	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Number of insurance claims reports generated	12	12	**3**	**3**	3	3	3	3	Met			12	12
Pay all invoices received within 30 days	Sound financial management (The planning, directing, monitoring and controlling of the monetary	Percentage of invoices paid	65%	65%	**65%**	**58%**	65%	70%	65%	64%	Underachieved due to negative cash flow			65%	65%

	resources of the municipality														
Oversee suppliers reconciliation statements and creditors register	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Percentage of reconciled creditors accounts	90%	90%	**90%**	**89%**	90%	83%	90%	86%	Unerachieved- Non-submission of statements by suppliers and new suppliers that does not have the culture to submit statements			90%	90%
Identify and refine report incidents of irregular, fruitless and wasteful expenditure	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Number of reports produced	12	12	**3**	**3**	3	3	3	3	Met			12	12
Review and clearing of unreleased payments	Sound financial management (The planning, directing, monitoring	Number of reports printed from online banking to be cleared	48	48	**12**	**12**	12	11	12	23	Underachieved- System off-line			48	48

on the bank	and controlling of the monetary resources of the municipality														
Monthly cash flow focus report	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Number of cash flow reports	12	12	3	3	3	3	3	3	Met			12	12
Clean Audit	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Progress report on queries raised	12	12	3	3	3	3	3	3	Met			12	12
Effective risk Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of	Mitigating identified Expenditure Management Risk	4	4	1	1	1	1	3	3	Met			4	4

	the municipality													

Revenue Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Financial viability	Effective Revenue Management	% payment rate on monthly billing		80%	**75%**	**52%**	80%	54%	78%	53%	Under-achieved			75%	80%
Good Governance	Effective Risk management	Quarterly submission of Risk report & mitigate		1	**1**	**1**	1	1	1	1	Met				
Financial viability	Effective Revenue management	Number of monthly billing conducted		12	**3**	**3**	3	3	3	3	Met			12	12
Financial viability	Effective Revenue Management	Number of balanced reports generated	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial viability	Effective Revenue Management	Number of authorised billing runs	12	12	**3**	**3**	3	3	3	3	Met			12	12
Financial viability	Effective Revenue Management	Number of reviewed Revenue Enhancement Strategy	1	1	**0**	**0**	0	0			Due fourth quarter			1	1

Financial viability	Effective Revenue Management	Number of reports send to Electricity & Water divisions		12	3	3	3	3						12	12
Financial viability	Poverty alleviation	Number of Indigent registered households	7000	10000	2000	2363	4500	4717			Met				
Service Delivery & Customer Care	Effective Customer Relations	% queries resolved within 3 days	60%	75%	60%	60%	65%	80%	63%	70%	Met			75%	80%
Financial viability	Effective Cash Management	% of daily cash banked	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Financial viability	Effective Revenue Management	% Implementation of valuation roll	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Financial viability	Effective Revenue Management	% monthly update of deeds registration	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Financial viability	Effective Revenue Management	% Defaulting consumers disconnected	70%	80%	80%	89%	80%	88%	80%	89%	Met			80%	80%

Governance	Effective Revenue Management	Number of Revenue Related policies reviewed	5	5	0	0	0	0			Due fourth quarter				
Governance	Effective Revenue Management	% of Audit Queries answered within 7 days	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%

Supply Chain Management Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Policy Management	Review & Record changes of the SCM policy	Percentage of reviewed SCM policy submitted for approval	100%	100%	0	0	0	0	0	0	Not Yet Due			100%	100%
Logistics Management	Quarterly Stock take of inventory	Number of stock takes conducted	4	4	1	1	1	1	2	2	Met			4	4
Audit	Updating of progress of audit action plan	Monthly update of progress on audit action plan	90%	100%	0	0	0	0	0	0	Not Yet Due			100%	100%
	Responding to quarterly internal audit matters	% of queries cleared within time frames	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Internal Controls	Workshop with departments on SCM implementations shortfalls	Number of workshops with departments on SCM Challenges	5	5	0	0	0	0	0	0	Not Yet Due			5	5

Supplier management	Maintenance of suppliers database	Quarterly update of supplier database	1	1	0	0	0	0	0	0	Not Yet Due			1	1
Acquisition Management	Managing the bid Specification Committee meeting	Percentage of BSC meetings held meetings held	90	100%	100%	100%	100%	100	100%	100%	Met			100%	100%
	Managing the bid Evaluation Committee	Percentage of bid Evaluation meetings held	90%	100%	100%	100%	100%	85%	90%	100%	Met			100%	100%
	Managing the bid Adjudication Committee	Percentage of bid Adjudication meetings held	90%	100%	100%	100%	100%	80%	90%	100%	Met			100%	100%
	Submission of SCM report on deviation	Submission of SCM report on deviation	12	12	3	3	3	3	6	6	Met			12	12
	Submission of quarterly report on contract management	Submission of quarterly report on contract management	4	4	1	1	1	1	2	2	Met			4	4
Demand Management	Preparation & monitoring of procurement plan	Preparation & monitoring of procurement plan	4	4	1	1	1	1	2	2	Met			4	4
Compliance	Update of sectional risk register	Quarterly update of risk register against	4	4	1	1	1	1	2	2	Met			4	4

		progress of risk actions													

FIRST QUARTER REPORT

01 JULY 2018-30 SEPTEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset Impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.1.1 Summary of Results: Key Performance Area:

	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.1.2 Measures taken to address under performance per indicator

5.2 Department of Corporate Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.2.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.2.2 Measures taken to address under performance per indicator

5.3 Treasury Services Department

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.3.2 Measures taken to address under performance per indicator

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target
Access of good quality Water to all households	Purification of Water	Volume of water purified (Ml)		7597	2236.8	2547.2	Health Dam Levels				
	Amount of Flocculent/Coagulent to be used	Volume of Flocculent to be used (l)		286547	87605	93154	More Water Purified means more Flocculent was used				
	Amount of Chlorine to be used for disinfection	Volume of Chlorine to be used/dosed (kg		24842	6814	8765	More Water Purified means more Disinfection was used				
	Improve water quality	Number of Water quality compliant report		1058	220	213	Financial Constrains				
	Develop the full SANS 241 analysis report	Number of full SANS 241 analysis report generated		2	0	0					
	Conduct water quality operations monitoring analysis	Number of water quality operations monitoring analysis		4095	1312	1597					
	Conduct safety inspections on Reservoirs	Number of reservoir inspections conducted		192	48	48					
	Perform dam inspections	Number of Dam inspections conducted		42	12	12					

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target
Access of good quality Sanitation to all households	Purification of wastewater	Volume of Wastewater treated (Ml)		1711	109	82	Aging Sewer Infrastructure				
	Amount of Chlorine to be used for disinfection	Volume of Chlorine to be used for disinfection (Kg)		4062	1129	684	Less Sewer was treated due to aged infrastructure leading to blockages and overflows				
	Improve wastewater quality	Number of Quality Compliance reports generated		808	117	146					
Good Governance	Develop the water services Development plan	Number of water service Development plan completed		1	0	0					
	Standing Committee reports	Number of reports generated		12	3	3					
	Unit Reports	Number of reports generated		12	3	3					
	Attend water Forums	Number of water forums attended		4	1	1					
Risk Management	Mitigate identified public safety risk	Number of registers updated		1	1	1					

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target
Ensure Adequate Clean Water to all Residents	Repairing of water pipes	Percentage of water pipes repaired		100	100	90.2	Lack of material				
	Repairing/Replacing of water meters	Percentage of water meters repaired/Replaced		100	100	72.2	Lack of material				
	Repairing of fire hydrants	Percentage of fire hydrants repaired		100	100	0	Lack of material				
	Repairing of water valves	Percentage of water valves repaired		100	100	30.6	Lack of material				
Ensure Access of Acceptable Sanitation to all Residents	Repairing of sewer pipes	Percentage of sewer pipes repaired		100	100	35	Lack of material				
	Unblocking of sewer spillages	Percentage of unblocked sewer spillages		100	100	99.4					
	Repairing/Replacing of sewer manholes	Percentage of repaired/replaced sewer manholes		100	100	0	Lack of material				
	Bucket removal	Percentage of buckets removed		100	100	62.7	Due to broken Tractors and Trailer problems				
	Servicing of VIP and Sceptic tanks	Percentage of VIP and Sceptic tanks serviced		100	100	79.5	Due to broken Suctioning Truck				
Good Governance	Reports for Standing Committee	Number of reports generated		12	3	3					

	Unit reports	Number of reports generated		12	3	3					
Risk Management	Mitigate identified public safety risk	Number of registers updated		4	1	1					

5.4.1 Summary of Results: Key Performance Area

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.2 Measures taken to address under performance per indicator

5.5 Development Planning and Social Security

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual				Target	Target

5.5.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.5.2 Measures taken to address under performance per indicator

6. Conclusion

For the period under review **----** targets were not met, **---** targets were almost met, **---** targets were met**, ---** targets were well met and **----** targets were extremely met. A total of **---** targets were set for the first quarter of which **--- (---%)** were on targets and **---(---%)** were not met or were almost met. Measures needs to be put in place to address these targets were performance was not achieved.

7. **Municipal Manager's quality certification**

QUALITY CERTIFICATE: 12 OCTOBER 2018

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the First Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

_____
RAMAKARANE STR
MUNICIPAL MANAGER
12 OCTOBER 2018

SECOND QUARTER REPORT

01 OCTOBER 2018-31 DECEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.1.1 Summary of Results: Key Performance Area:

	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.1.2 Measures taken to address under performance per indicator

5.2 Department of Corporate Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.2.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.2.2 Measures taken to address under performance per indicator

5.3 Treasury Services Department

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.3.2 Measures taken to address under performance per indicator

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2nd Quarter 2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target
Service Delivery and Infrastructure	Electricity Division										
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Number of Erven Electrified at Naledi Village	265	40	0	0				0	0
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Number of streetlights & High mast lights Repaired/ Replaced	1172	500	125	315	More streetlights have been repaired due to the big backlog and some material available.			500	500
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Number of new public lights Installed	3 263	100	25	5	Procurement process			100	100
	To provide efficient competitive effective sustainable economical infrastructure	Number of substations maintained	1	1	0	1	The mini substation of Spar was replaced due to an emergency by lightning.			2	2

	network and service delivery										
Service Delivery and Infrastructure	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Number of sub & mini substations cleaned	95	100	25	36	With extra time more substations and mini substations have been cleaned.			100	100
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Kilometre of HV & LV network repaired/replaced	5	7	2	1.306	More Aluminium lines have been installed due to copper theft that has taken place.			7	7
Good governance	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Number of Standing Committee Reports generated	12	12	3	3				12	12
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	No. of Energy forum meeting attended	4	4	1	1				4	4
	Electrification of even	Number of quarterly updates on progress on Audit Action Plan	8	8	2	2				8	8

Revenue enhanchment	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Percentage of final readings captured.	100%	100%	100%	100%				100%	100%
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Percentage of electricity disconnections & connections	100%	100%	100%	100%				100%	100%
Good governance	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Number of risk register updated	4	4	1	1				4	4
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Percentage of external audit queries responded to and addressed within time frame	100%	100%	100%	100%				100%	100%
	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Percentage of internal audit queries responded to and addressed within time frame	100%	100%	100%	100%				100%	100%

	To provide efficient competitive effective sustainable economical infrastructure network and service delivery	Number of Unit Meetings reports generated	8	16	4	4				16	16

5.4.1 Summary of Results: Key Performance Area

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.2 Measures taken to address under performance per indicator

5.5 Development Planning and Social Security

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual				Target	Target

5.5.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.5.2 Measures taken to address under performance per indicator

6. Conclusion

For the period under review **----** targets were not met, **---** targets were almost met, **---** targets were met**, ---** targets were well met and **----** targets were extremely met. A total of **---** targets were set for the first quarter of which **--- (---%)** were on targets and **---(---%)** were not met or were almost met. Measures needs to be put in place to address these targets were performance was not achieved.

7. **Municipal Manager's quality certification**

QUALITY CERTIFICATE: 12 OCTOBER 2018

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the First Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

_____
RAMAKARANE STR
MUNICIPAL MANAGER
12 OCTOBER 2018

5.4 ENGINEERING SERVICES

FLEET AND TRANSPORT MANAGEMENT

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter 2018/2019		Second Quarter 2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	202
					Target	Actual	Target	Actual				Target	T
Service Delivery and infrastructure.	To provide efficient, competitive, effective and sustainable economical infrastructure network and service delivery	Percentage to which vehicles are made available for provision of services.	50%	100%	100%	100%	100%	100%	Target achieved			100%	1
	To provide efficient, competitive, effective and sustainable economical infrastructure network and service delivery	Number of vehicles allocated.	94	94	89	148	89	148	Target over achieved due to purchasing of new fleet.			94	
	To provide efficient, competitive, effective and sustainable economical infrastructure network and service delivery	Number of vehicles licensed and registered.	94	94	94	76	94	18	Target not achieved, only 18 vehicles were due for licensing.			94	
	To provide efficient, competitive, effective and sustainable	Number of fuel scheduled in all units.	94	39	94	36	94	36	Target not achieved because of festive season holidays..			94	

	economical infrastructure network and service delivery												
	To provide efficient, competitive, effective and sustainable economical infrastructure network and service delivery	Percentage to which vehicles are made available for provision of services.	45%	100%	100%	100%	100%	100%	Target achieved.			100%	1
	To provide efficient, competitive, effective and sustainable economical infrastructure network and service delivery	Percentage of vehicles related insurance claims processed.	0%	100%	100%	100% (3 Claims)	100%	0%	Target not achieved. No accidents occurred during October 2018 to December 2018.			100%	1
	To provide efficient, competitive, effective and sustainable economical infrastructure network and service delivery	Percentage on service/maintenance on vehicles.	100%	100%	100%	100%	100%	100%	Target achieved.			100%	1

5.4.1 Summary of Results: Key Performance Area

Colour	Achievement	Number
	KPI Not Yet Measure	

	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.2 Measures taken to address under performance per indicator

SECOND QUARTER REPORT

01 OCTOBER 2018-30 DECEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG	R57 782 000.00	0		0	R25 587 988.17	R31 873 554.17	7%
RBIG	R30 000 000.00.00	0		0	0	0	0%
WSIG	R20 000 000.00	0		0	R10 947 966.31	R9 052 033.69	55%
INEP	R682 500.00	0		0	0	0	0%
FMG							
EPWP	R1 500 000.00	0		0	R1 022 257.00	R477 743.00	67%
Sub-Total		**0**		**0**			
TOTAL		**0**		**0**			

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019 1st quarter		2018/2019 2nd quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual				Target	Target
Provision of new Infrastructure and Upgrading of existing services	Provision of new infrastructure	Percentage (%) made on the construction of the new Multipurpose and recreational sport facility in Senekal/Moemaneng	97	100	100	100	0	0					
Provision of new Infrastructure and Upgrading of existing services	Provision of new infrastructure	Percentage (%) made on the development of water network for 1110 sites in Moemaneng/Marquard	80	100	100	85	100	98	The contract was terminated due to slow production and the sub-contractors were appointed to complete the works.				
Provision of new Infrastructure and Upgrading of existing services	Provision of new infrastructure	Percentage (%) made on the Construction of 3km paved road and stormwater drainage in Hlohlolwane/Clocolan	80	100	100	100	0	0					
Provision of new Infrastructure and Upgrading of existing services	Provision of new infrastructure	Percentage (%) made on the development of sewer network for 1110 sites in Moemaneng/Marquard	90	100	100	95	100	95	The contract was terminated due to slow production and the sub-contractors were appointed to complete the works.				

Provision of new Infrastructure and Upgrading of existing services	Provision of new infrastructure	Percentage (%) made on the development of new cemeteries in Ficksburg/Meqheleng	0	60	0	0	0	0					
Provision of new Infrastructure and Upgrading of existing services	Provision of new infrastructure	Percentage (%) made on the upgrading of the Raw Water Supply in Matwabeng/Senekal	0	50	0	0	0	0					
Upgrading/ Refurbishment of existing infrastructure	Upgrading/Refurbishment of the existing Infrastructure	Percentage (%) made on the Conversion of 969 VIP toilets into full waterborne sanitation system in Meqheleng/Ficksburg	0	50	0	0	0	0					
Upgrading/ Refurbishment of existing infrastructure	Upgrading/Refurbishment of the existing Infrastructure	Percentage (%) made on the Upgrading of the Waste Water Treatment Works in Clocolan/Hlohlolwane	0	40	0	0	0	0					
Upgrading/ Refurbishment of existing infrastructure	Upgrading/Refurbishment of the existing Infrastructure	Percentage % made on the Rehabilitation of 1.5km surfaced and stormwater drainage in Meqheleng	5	100	100	100	0	0					
Upgrading/ Refurbishment of existing infrastructure	Upgrading/Refurbishment of the existing Infrastructure	Percentage (%) made on upgrading of the van Soelen Outfall sewer line in Meqheleng/Ficksburg (Phase 1)	60	100	100	100	0	0					
Upgrading/ Refurbishment of existing infrastructure	Upgrading/Refurbishment of the existing Infrastructure	Percentage (%) made on upgrading of the van Soelen Outfall sewer line in Meqheleng/Ficksburg (Phase 2)	2	100	30	30	60	60					
Upgrading/ Refurbishment of	Upgrading/Refurbishment of	Percentage (%) made on the Upgrading of the Sport	0	100	100	100	0	0					

existing infrastructure	the existing Infrastructure	Facility in Meqheleng/Ficksburg											
Upgrading/ Refurbishment of existing infrastructure	Upgrading/Refurbishment of the existing Infrastructure	Percentage (%) made on the Upgrading of the Sport Facility in Marquard/Moemaneng	0	80	0	0	0	0					
Good governance	Reports generated for standing committee meetings	Number of Standing Committee reports submitted	12	12	3	3	3	3					
Good governance	Asset reports generated	Asset Report Generated	4	4	1	1	1	1					
Good governance	MIG Monthly reports generated	Number of MIG Monthly reports submitted	12	12	3	3	3	3					
Good governance	MIG Quarterly reports generated	Number of MIG Quarterly reports submitted	4	4	1	1	1	1					
Good governance	MIG Annual reports generated	Number of Annual reports submitted	1	1	1	1	1	1					
Good governance	DWS Monthly reports generated	Number of DWS Monthly reports submitted	12	12	3	3	3	3					
Good governance	DWS Quarterly reports generated	Number of DWS Quarterly reports submitted (WSIG)	4	4	1	1	1	1					
Good governance	DWS Quarterly reports generated	Number of DWS Quarterly reports submitted (RBIG)	4	4	1	1	1	1					

Good governance	DWS Annual reports generated	Number of DWS Annual reports generated	1	1	1	1	1	1					
Good governance	Site visit report conducted	No of Site visit reports generated	40	30	15	15	15	15					
Good governance	Site meetings attended	Minutes of site meetings	33	20	5	5	5	3	Target was not met as a result of the water and sewer projects in Marquard that were not progressing as a result the contractors contract was terminated.				
Good governance	Number of business plans submitted to source funding	Business plans reports	6	3	3	3	0	1	Drought Business Plan was Submitted to DWS				
Local development	Number of beneficiaries to the EPWP programme	Number of beneficiaries	0	258	65	230	30	25	There was a delay in the implementation of four projects and the target would be met in the third quarter.				
Risk management	Number of risk assessments conducted	Percentage of Risk identified and reported	100%	100%	25%	25%	25%	25%					

5.4.1 Summary of Results: Key Performance Area

The PMU division for the first quarter has achieved 96% of its target and only 4% of the targets were not met however there are measures in place to ensure improvement.

5.5.2 Measures taken to address under performance per indicator

Key Performance Indicator	Target	Actual	Measures Undertaken to improve
Percentage (%) made on the construction of the new Multipurpose and recreational sport facility in Senekal/Moemaneng	0	0	
Percentage (%) made on the development of water network for 1110 sites in Moemaneng/Marquard	100	92	The contract was terminated due to slow production and the sub-contractors were appointed to complete the works.
Percentage (%) made on the Construction of 3km paved road and stormwater drainage in Hlohlolwane/Clocolan	0	0	
Percentage (%) made on the development of sewer network for 1110 sites in Moemaneng/Marquard	100	94	The contract was terminated due to slow production and the sub-contractors were appointed to complete the works.
Percentage (%) made on the development of new cemeteries in Ficksburg/Meqheleng	0	0	
Percentage (%) made on the upgrading of the Raw Water Supply in Matwabeng/Senekal	0	0	
Percentage (%) made on the Conversion of 969 VIP toilets into full waterborne sanitation system in Meqheleng/Ficksburg	0	0	
Percentage (%) made on the Upgrading of the Waste Water Treatment Works in Clocolan/Hlohlolwane	0	0	
Percentage % made on the Rehabilitation of 1.5km surfaced and stormwater drainage in Meqheleng	0	0	

Percentage (%) made on upgrading of the van Soelen Outfall sewer line in Meqheleng/Ficksburg (Phase 1)	0	0	
Percentage (%) made on upgrading of the van Soelen Outfall sewer line in Meqheleng/Ficksburg (Phase 2)	60	60	
Percentage (%) made on the Upgrading of the Sport Facility in Meqheleng/Ficksburg	0	0	
Percentage (%) made on the Upgrading of the Sport Facility in Marquard/Moemaneng	0	0	
Number of Standing Committee reports submitted	3	3	
Asset Report Generated	1	1	
Number of MIG Monthly reports submitted	3	3	
Number of MIG Quarterly reports submitted	1	1	
Number of Annual reports submitted	1	1	
Number of DWS Monthly reports submitted	3	3	
Number of DWS Quarterly reports submitted (WSIG)	1	1	
Number of DWS Quarterly reports submitted (RBIG)	1	1	
Number of DWS Annual reports generated	1	1	
No of Site visit reports generated	15	15	
Minutes of site meetings	5	3	Target was not met as a result of the water and sewer projects in Marquard that were not progressing as a result the contractors contract was terminated.
Business plans reports	0	1	

Number of beneficiaries	30	25	Extra beneficiaries were added from the inceptive grant and 2 new projects were implemented.
Percentage of Risk identified and reported	25%	25%	

6. Conclusion

For the period under review **--1-** targets were not met, **--3-** targets were almost met, **-12--** targets were met**, --1-** targets were well met and **--0--** targets were extremely met. A total of **-17--** targets were set for the first quarter of which **--- (-94--%)** were on targets and **---(-6--%)** were not met or were almost met. Measures needs to be put in place to address these targets were performance was not achieved.

7. **Municipal Manager's quality certification**

QUALITY CERTIFICATE:

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the First Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

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RAMAKARANE STR
MUNICIPAL MANAGER

Roads and Stormwater Division

1. Introduction

The Setsoto Local Municipality is required to provide safe, affordable, sustainable and accessible roads infrastructure services that promote integrated land use development and ensure optimal mobility for the residents and users of our roads. This quarter has been one of the challenging in terms of Service Delivery, lack of crucial material, and no Budget to execute our Baseline SDBIP Targets. With regard to our ailing Fleet, it's really a challenge as we were unable to perform our normal/routine maintenance.

2. Service Statistics of the Roads and Storm water Division

	Details	2018/2019					
		First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Annual	Annual Total
		Actuals	Actuals	Actuals	Actuals	Target	Actuals
1	Fixing of Potholes	2545.75	2570.41			8000	5116.16
2	Resealing of Flexible Pavement Road	0	0			0	0
3	Installation of Bollards	0	0			0	0
4	Installation of Speed Humps	0	0			4	0
5	Re-Graveling of Roads	14.873	7.07			40	21.943
6	Storm water network cleaned/Repaired	3.222	0.863			24	4.085
7	Storm water Kerb-Inlet/catch pit Cleaned/Repaired	58	14			60	72
8	Sidewalks Cleaned/Repaired	0.504	0.792			6	1.296
9	Reports for standing committee	3	3			12	6
10	Units Meetings	4	4			16	8
11	RRAMS Forum	1	1			8	2
12	Mitigate identified Risk	1	1			4	2
13	External Audit Query	0	0			0	0
14	Internal Audit Query	0	0			0	0
15	Action Plan	0	0			0	0
16							

3. ROADS AND STORMWATER DIVISION

Key Performance Area	Strategic Objective	Focus Area	Key Performance Indicator	Base-Line	Annual Target	Q1		Q2		Q3		Q4		Comment on the Variance
						Target	Actual	Target	Actual	Target	Actual	Target	Actual	
Fixing of Potholes	To ensure a proper road and street network throughout the entire area to benefit all residents		**m^2** of Potholes Repaired	26174.67	8000	2000	2545.75		2570.41					
Resealing of Flexible Pavement Road			**m^2** Road Re-Sealed	8.73	0	0	0		0					Unplanned Activity due to Budget shortfall
Installation of Bollards			**No** of Bollards Replaced/Installed	0	0	0	0		0					Unplanned Activity due to Budget shortfall
Installation of Speed Humps			No of Speed Hump Repaired/Erected	2	4	1	0		0					Unavailability of Material due to procurement process
Re-Graveling of Roads			**Km** of roads Re-Graveled	104.57	40	10	14.873		7.07					
Storm water network cleaned/Repaired			**Km** of channel cleaned/Repaired	29.336	24	6	3.222		0.863					
Storm water Kerb-Inlet/catchpit Cleaned/Repaired			**No** of Kerb-Inlet/catchpit Cleaned/Repaired	376	60	15	58		14					
Sidewalks Cleaned/Repaired			**Km** of sidewalks Cleaned/Repaired	14.279	6	2	0.504		0.792					
Reports for standing committee	To give administrative support to council committee		No. of Report generated	12	12	3	3		3					
Units Meetings			No. of Report generated	16	16	4	4		4					
RRAMS Forum			No. of Meetings Attended	4	8	2	2		1					
Mitigate identified Risk			No. of Report generated	4	4	1	1		1					
External Audit Query			No. of query issued	**0**			0		0					No queries were issued
Internal Audit Query			No. of query issued	**0**			0							No queries were issued
Action Plan			Not appearing on SDBIP	**0**			0							Maintenance plan submitted, due to non-availability of funding the division is unable to implement it

Key Performance Area	Planning Statement	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Third Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual	Target	Actual				Target	Target
Service Delivery and infrastructure	Maintenance of Flexible Pavement Road Infrastructure	Percentage Flexible Pavement Road Maintained	100	100	100	261										100%	100%
	Fixing of Potholes	**m²** of Potholes Repaired	26174.67	8000	2000	2545.75										50	50
	Resealing of Flexible Pavement Road	**m²** Road Re-Sealed	0	0	0	0							The target had moved to the financial year 2018/19			50	50
	Installation of Bollards	Number of Bollards Installed	0	0	0	0							The activity will be done in financial year 2018/19			28	28
	Installation of Speed Humps	Number of Speed Hump installed	2	4	1	0										12	12
	Maintenance of Gravel Roads Infrastructure	Km of re-graveled	104.57	40	10	14.873										60	60
	Re-Graveling of Roads	**Km** of roads Gravelled	104.57	40	10	14.873										60	60
	Maintenance of Stormwater Infrastructure	Percentage of Stormwater Infrastructure Maintained														625	625
	Storm water network cleaned/Repaired	**Km** of channel cleaned/Repaired	29.336	24	6	3.222										150	150
	Storm water Kerb-Inlet/catch pit	**No** of Kerb-Inlet/catch pit	376	60	15	58										475	475

	Cleaned/Repaired	Cleaned/Repaired															
	Maintenance of Side-Walk Infrastructure	**Km of Side-Walk Cleaned and Repaired**	14.279	6	2	0.504										5	5
	Sidewalks Cleaned/Repaired	**Km** of sidewalks maintained	14.279	6	2	0.504										5	5

Key Performance Area	Planning Statement	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Third Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual	Target	Actual	Target	Actual	Target	Actual				Target	Target
Good Governance and Public Participation	Reports for standing committee	No. of Report generated	12	12	3	3										12	12
	Units Meetings	No. of Report generated	16	16	4	4										16	16
		Number of risk register updated	4	4	1	1										4	4
Good Governance and Public Participation		Percentage of External queries responded to and addressed	**100%**	100%	100%	100%										100%	100%
		Percentage of Internal queries responded to and addressed	**100%**	100%	100%	100%										100%	100%
		Number of monthly updates on Audit action plan	**2**	8	2	0											
	RRAMS Forum	No. of Meetings Attended	**9**	4	1	0											

Colour	Achievement	Number
	KPI Not Yet Measure	2
	KPI Not Met	2
	KPI Almost Met	0
	KPI Met	4
	KPI Well Met	2
	KPI Extremely Met	1
Total		**11**

4. Employees: Roads and Storm water Division: Second Quarter 2018/2019

Job Level	2017/2018	First Quarter 2018/2019			
	Employee No.	Post No	Employee No	Vacancies (Fulltime Equivalents) No	Vacancies (as a % of total posts) %
0-3	1	2	1	1	50%
4-6	4	4	2	1	50%
7-9	4	4	4	0	0%
10-12	5	6	4	0	33%
13-15	23	33	23	8	30%
16-17	24	37	18	14	46%
Total	61	86	52	24	40%

5. Financial Performance Second Quarter 2018/2019: Roads and Storm water Division

Details	2017/2018	First Quarter 2018/2019		
	Actual	Original Budget	Actual	Variance to Budget
Total Operating Revenue	1 318 975 078.06	27 312 219.96	477 000.00	26 835 219.96
Expenditure				
Employees	16 678 200.71	13 098 192.60	4 324 517.22	8 773 675.38
Repairs and Maintenance	1 567 822.57	72 999.96	509 962.75	-436 962.79
Other	4 825 658.04	202 461 000.12	140 425.50	202 320 547.62
Total Expenditure	**23 071 681.32**	**215 632 192.68**	**4 974 905.47**	**210 657 287.21**
Net Operational Expenditure	**1 295 930 396.74**	**-188 319 972.72**	**-4 497 905.47**	**-183 822 067.25**

6. Capital Expenditure Second Quarter 2018/2019: Roads and Storm water Division

Total All	Budget	Actual Expenditure	Variance from Original Budget	Total Project Value
	1 250 000.00	0	0	1 250 000.00

7. Overall Performance of the Roads and Storm water Division for the Second Quarter 2018/2019

The division performed well in this Quarter, and therefore a budget available for this financial year 2018/2019, and Roads and Stormwater division is in the procurement processes to secure a three year contract on Store Items, Materials, and also in the process of establishing Municipal Borrow pits/Quarries.

The challenges of unavailability of material, and shortage of personnel especially the critical post of 2 Supervisors (Ficksburg and Senekal) had impacted negatively on service delivery

Compiled by: Manager Roads and Storm-water

Mr. L.G Moreki

Signature : _____ Date: _____

SECOND QUARTER REPORT

01 SEPTEMBER 2018 -30 DECEMBER 2018



OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges – other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised – operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline	Annual Target	First Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.1.1 Summary of Results: Key Performance Area:

	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.1.2 Measures taken to address under performance per indicator

5.2 Department of Corporate Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.2.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.2.2 Measures taken to address under performance per indicator

5.3 Treasury Services Department

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.3.2 Measures taken to address under performance per indicator

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019 Quarter 2		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target
Service Delivery and Infrastructure	To provide efficient competitive effective sustainable economic infrastructure network and service delivery	Number of sites allocated	1075	160	40	0	The Allocation Committee did not sit as there were no new township establishments			200	200
Service Delivery and Infrastructure	To provide efficient competitive effective sustainable economic infrastructure network and service delivery	Number of files opened	2888	160	40	14	The department was busy with the implementation of the National Housing Needs Register			160	160
Service Delivery and Infrastructure	To provide efficient competitive effective sustainable economic infrastructure network and service delivery	Number of Title Deeds issued	674	200	50	10	The division is left mainly with wrongly registered Deeds, Deeds requiring letters of authority and in some instances, beneficiaries are out of town.			200	200
Infrastructure and Service Delivery	Sustainable Human Settlements and	Percentage of progress of Formalization of Katlehong 1 and 2	40%	60%	15%	15%				0	0

	improved quality of household life	informal settlements									
Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Percentage of progress of Formalization of Oustad informal settlements	40%	60%	15%	15%				0	0
Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Percentage of progress of rezoning, amendment of general plan and subdivision of erf 855, 1339, 1529, 1530, 3780 and 3367	0	100%	20%	20%				0	0
Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Number of adopted SPLUMA compliant Spatial Development Framework	1	1	0	-	The division is still busy with the compilation of the new SDF together with relevant sector departments.			1	1
Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Number of Municipal Planning Tribunal seating held	4	4	1	1	Members of the committee were not forming a quorum			4	4
Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Number of illegal land use reports	8	6	2	0				6	6
Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Percentage of zoning certificates issued	100%	100%	100%	100%				100%	100%

Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Percentage of land development applications developed	100%	100%	100%	100%				100%	100%
Infrastructure and Service Delivery	Sustainable Human Settlements and improved quality of household life	Percentage of liquor registrations applications processed	100%	100%	100%	100%				100%	100%
Service delivery and infrastructure	Sustainable Human Settlements and improved quality of household life	Percentage of building plans processed	100%	100%	100%	100%					
Service delivery and infrastructure	Sustainable Human Settlements and improved quality of household life	Number of quality control and site inspection on formal structures conducted	371	50	15	161				50	50
Service delivery and infrastructure	Sustainable Human Settlements and improved quality of household life	Number of inspections conducted on Municipal properties	24	10	3	18				0	0
Service delivery and infrastructure	Sustainable Human Settlements and improved quality of household life	Number of inspections and building notices issued	110	60	15	13	Only 13 illegal construction work was discovered.			60	60

5.4.1 Summary of Results: Key Performance Area

Colour	Achievement	Number

	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.2 Measures taken to address under performance per indicator

5.5 Development Planning and Social Security

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual				Target	Target

5.5.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number

	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.5.2 Measures taken to address under performance per indicator

6. Conclusion

For the period under review **----** targets were not met, **---** targets were almost met, **---** targets were met**, ---** targets were well met and **----** targets were extremely met. A total of **---** targets were set for the first quarter of which **--- (---%)** were on targets and **---(---%)** were not met or were almost met. Measures needs to be put in place to address these targets were performance was not achieved.

7. **Municipal Manager's quality certification**

QUALITY CERTIFICATE: 12 OCTOBER 2018

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the First Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

_____
RAMAKARANE STR
MUNICIPAL MANAGER
12 OCTOBER 2018

SECOND QUARTER REPORT

01 OCTOBER 2018-30 DECEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's second quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – Second Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the second quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	Second Quarter Year to date Budget	Second Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance

- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;
- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – Second Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;
- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – Second Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – Second Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – Second Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – Second Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – Second Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - Second Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									

Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipt									
Short term loans									
Borrowing long term/refinancing									
Increase (decrease) in consumer deposits									
Payments									
Repayment of borrowing									
NET CASH FROM/(USED) FINANCING ACTIVITIES									
NET INCREASE/ (DECREASE) IN CASH HELD									
Cash/cash equivalents at beginning:									
Cash/cash equivalents at month/year end:									

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – Second Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - Second Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					

Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Second Quarter								
Investments by maturity Name of institution & investment ID	Period of Investment	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
R thousands	Yrs./Months							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		

BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is -------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

Colour	Category	Explanation

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the Second quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		**Key Performance Areas**					**Total**
		Infrastructure and Service Delivery	**Local Economic Development**	**Organisational Development and Transformation**	**Financial Viability and Management**	**Good Governance and Public Participation**	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5. Actual Departmental Performance and Corrective Measures That Will Be Implemented

5.1 Department of the Office of the Municipal Manager

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline	Annual Target	Second Quarter		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.1.1 Summary of Results: Key Performance Area:

	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.1.2 Measures taken to address under performance per indicator

5.2 Department of Corporate Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.2.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.2.2 Measures taken to address under performance per indicator

5.3 Treasury Services Department

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.3.2 Measures taken to address under performance per indicator

5.4 Engineering Services

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual				Target	Target
Ensure Adequate Clean Water to all Residents	Repairing of water pipes	Percentage of water pipes repaired		100	25	90.2				100	100
Ensure Adequate Clean Water to all Residents	Repairing/Replacing of water meters	Percentage of water meters repaired/Replaced		100	25	72.2				100	100
Ensure Adequate Clean Water to all Residents	Repairing of fire hydrants	Percentage of fire hydrants repaired		100	25	0	No Fire Hydrants was damaged during the 2nd quarter			100	100
Ensure Adequate Clean Water to all Residents	Repairing of water valves	Percentage of water valves repaired		100	25	30.6				100	100
Ensure Access of Acceptable Sanitation to all Residents	Repairing of sewer pipes	Percentage of sewer pipes repaired		100	25	35				100	100
Ensure Access of Acceptable Sanitation to all Residents	Unblocking of sewer spillages	Percentage of unblocked sewer spillages		100	25	99.4				100	100
Ensure Access of Acceptable Sanitation to all Residents	Repairing/Replacing of sewer manholes	Percentage of repaired/replaced sewer manholes		100	25	0				100	100
Ensure Access of Acceptable Sanitation to all Residents	Bucket removal	Percentage of buckets removed		100	25	62.66				100	100
Ensure Access of Acceptable Sanitation to all Residents	Servicing of VIP and Sceptic tanks	Percentage of VIP and Sceptic tanks serviced		100	25	79.52				100	100
Good Governance	Reports for	Number of reports		12	3	3				100	100

	Standing Committee	generated									
Good Governance	Unit reports	Number of reports generated		12	3	3				100	100
Risk Management	Mitigate identified public safety risk	Number of registers updated		1	1	1				100	100

5.4.1 Summary of Results: Key Performance Area

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.2 Measures taken to address under performance per indicator

5.5 Development Planning and Social Security

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	2018/2019		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2018/2019	2019/2020
					Target	Actual				Target	Target

5.5.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measure	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.5.2 Measures taken to address under performance per indicator

6. Conclusion

For the period under review **----** targets were not met, **---** targets were almost met, **---** targets were met**, ---** targets were well met and **----** targets were extremely met. A total of **---** targets were set for the second quarter of which **--- (---%)** were on targets and **---(---%)** were not met or were almost met. Measures needs to be put in place to address these targets were performance was not achieved.

7. **Municipal Manager's quality certification**

QUALITY CERTIFICATE: 12 OCTOBER 2018

I, **Ramakarane Simon Tshepiso**, the municipal manager of **Setsoto Local Municipality**, hereby certify that the Second Quarter Report 2018/2019 has been prepared in accordance with the Municipal Finance Management Act, 56 of 2003 and the regulation made under the Act.

_____

RAMAKARANE STR
MUNICIPAL MANAGER
12 OCTOBER 2018

SECOND/MID YEAR QUARTER REPORT

01 JULY 2018-31 DECEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's first quarter actual performance for the 2018/2019 financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure promote good governance, transparency, accountability, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 30 September 2018

This report is based upon financial and non-financial information as at 30 September 2018 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 30 September 2018 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

The Statement of Financial Performance in Annexure A is prepared on similar basis to the prescribed budget format, detailing revenue by source, excluding capital transfers and contributions, and expenditure by type. The actual revenue for the period is ---------- on the year to date target of **------** and the expenditure for the period is ---------- on a year to date target of **----------** respectively. The actual performance for the first quarter ended 30 September 2018 (excluding capital transfers and contributions) on operating budget can be summarised as follows:

	First Quarter Year to date Budget	First Quarter Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Major Revenue Variances against the budget

- Property rates have a favourable variance of ------- for the period due to the effect of Government properties and supplementary valuation roll increased the levying of assessment rate, thus the favourable variance
- Electricity revenue has a favourable variance of -------- due to less collection and billed for the period than budgeted;
- Water revenue have a favourable variance of --------- for the period due to more property rates billed for the period than budgeted;

- Sanitation Revenue has a variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Refuse revenue has a favourable variance of ---------- for the period due to more property rates billed for the period than budgeted;
- Interest earned-outstanding debtors have a favourable variance of ---------- for the period due to interest charged on outstanding debtors.
- Grants and subsidies received on year to date amount to ---------- included in that is ---------- of equitable share which is regarded as unconditional grant. Conditional grants received amount to --------- and ------- of it has been spent to date.

Revenue by Source Graph

GRANT	DORA ALLOCATION	ROLL-OVER	YTD RECEIPTS	OWN CONTRIBUTION	YTD EXPENDITURE	YTD NET BALANCE	% SPENT
UNCONDITIONAL							
Equitable Share							
Sub-Total							
CONDITIONAL							
MIG							
RBIG							
WSIG							
INEG							
FMG							
EPWP							
Sub-Total							
TOTAL							

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

Major Expenditure Variances against the budget

- Employee related costs have a variance of ----- for the period due to less expenditure on salaries for the period than budgeted;
- Councillors remuneration have a variance of -------- for the period due to less spending on councillor remuneration for the period than budgeted;

- Debt impairment will be calculated during the year-end process and finalisation of the AFS.
- Depreciation will also be calculated on a half yearly basis;
- Finance Charges have an unfavourable variance of ---------- for the period due to low cash balances and creditors not paid on time and interest charged on outstanding creditors amount for the period than budgeted;
- Bulk purchases have a favourable variance of -------- for the period due to savings on bulk purchases on electricity for the period than budgeted;
- Contracted services have a favourable variance of ------ for the period due to stringent cost containment measures for the period than budgeted;
- Transfers and grants have a favourable variance of ---------- for the period as we still in the 1st quarter of the year and more expenditure will incur during the year;
- Other expenditure have a unfavourable variance of -------for the period due to control measure put in place on spending on non-essential services for the period than budgeted.

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – First Quarter									
Summary of Employee remuneration	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Operating Expenditure by Type Graph

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

Revenue by Vote Graph

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

Expenditure by Vote Graph

5. Capital Expenditure-Table C5

The municipality's capital budget is financed through borrowings amounting to ------, which was taken up during the year and grants and subsidies amounting to ---------.

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	**2017/18**	**Budget Year 2018/19**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									
Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

Capital Expenditure: Standard Classification Graph

Chart C1: Capital Expenditure Monthly Trend: Actual v/s Target Graph

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – First Quarter									
Vote Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

Chart C2 2018/2019 Capital Expenditure: YTD Actual v/s YTD Target Graph

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - First Quarter									
Description	2017/18	Budget Year 2018/19							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									
Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									

Receipt										
Short term loans										
Borrowing long term/refinancing										
Increase (decrease) in consumer deposits										
Payments										
Repayment of borrowing										
NET CASH FROM/(USED) FINANCING ACTIVITIES										
NET INCREASE/ (DECREASE) IN CASH HELD										
Cash/cash equivalents at beginning:										
Cash/cash equivalents at month/year end:										

7. Outstanding Debtors Report-Table SC3

The debtors report is supposed to be prepared on the basis of the format required to be lodged electronically with National Treasury. This format provides an extended age analysis, as well as an aged analysis by debtor type. The debtors balance as at 30 September 2018 is --------.

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – First Quarter										
Description	**Budget Year 2018/19**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions - Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

Chart C3 Aged Consumer Debtors Analysis Graph

Chart C4 Consumer Debtors; Total by Debtor Consumer Category

7.1 Debtors Collection Rate

Period	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
July 2018							
August 2018							
September 2018							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate is --------% which is a -----% increase/decrease compared to the previous financial year. Though there is an improvement on the payment rate greater effforts and strict mechanisms still need to be implemented to improve the collection rate. Whenever the payment rate increases drastically it was due to the collection of outstanding government debt.

7.2 Payment Rate Graph

The payment rate need to be improved and it is calculated by dividing the total settlement with total movements. Strict collection methods need to be implemented in wards which has payment rates that are lower than----%.

7.3 Payment Rate by Ward

Ward	Total Settlements	Total Movement	Billing	Credit Notes	Debit Notes	Other Adjustments	Payment Rate
Ward 1							
Ward 2							
Ward 3							
Ward 4							
Ward 5							
Ward 6							
Ward 7							
Ward 8							
Ward 9							
Ward 10							
Ward 11							
Ward 12							
Ward 13							
Ward 14							
Ward 15							
Ward 16							
Ward 17							
Total							

The payment rate is calculated by dividing the total settlements by the sum of total levies and total adjustment. The average payment rate up to the end of this quarter is ---------%. Greater effforts and strict mechanisms still need to be implemented to improve the average collection rate.

7.4 Electricity losses

Period	Units Purchased	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Electricity Losses Graph

7.5 Water Losses

Period	Units Purified	Units Sold	Units Lost	% Loss
July 2018				
August 2018				
September 2018				
Total				

Water Losesses Graph

8. Outstanding Creditors Report-Table SC4

Below is the outstanding creditors per age amounting to ----------. The biggest single contributor to the outstanding amount relates to the purchasing of bulk electricity. The necessary arrangements has been made with the effected creditors related to the delayed payment of services.

Description R Thousands	0-30 Days	21-60 Days	61-90 Days	91-120 Days	121-150 Days	151-180 Days	181-1 Year	Over 1 Year	Total
Creditors Age Analysis Type									
Bulk Electricity									
Bulk Water									
PAYE Deductions									
VAT(Output less Input)									
Pensions/Retirement Deductions									
Loan Repayments									
Trade Creditors									
Auditor General									
Other									
Total									

Chart C5 Aged Creditors Analysis Graph

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - First Quarter

Description of financial indicator	Basis of calculation	2017/18	Budget Year 2018/19			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					

Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

The investments of funds are dealt with according to the Council's investment policy. Currently the investments are only consisting of short-term investments and they are invested at FNB.

9.1 Investment balances as at 30 September 2018

S191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - First Quarter								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs./Months**							
Municipality								
Absa Bank	30 days	Short-term						
Eastern FS Co-op	30 days	Short-term						
FNB	30 days	Short-term						
Sanlam	30 days	Short-term						
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

The closing balances of call investments accounts amount to -------- as at the end of 30 September 2018. Interest accumulated on investments is --------.

9.2 Bank balances as at 30 September 2018

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

The closing balance as at 30 September 2018 is an amount of ---------.

10. **Financial Implications**

The report for the quarter ending 30 September 2018 indicates various financial risks which require monitoring and also identifies gaps which require urgent attention in order to achieve the strategic objective of good governance, financial viability and resilient organisational development and transformation. Areas that require continuous monitoring are the following:

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan 2018/2019 as well as the Top layer Service Delivery and Budget Implementation Plan 2018/2019 for the First quarter (1 July 2018 -30 September 2017) of the 2018/2019 financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Predetermined Objectives detailed in the Integrated Development Plan 2018/2019 and the Service Delivery and Budget Implementation Plan 2018/2019. The Top Layer Service Delivery and Budget Implementation Plan 2018/2019 was approved by the Executive Mayor on the 28 June 2019.

(d) The Departmental Service Delivery and Budget Implementation Plan 2018/2019 measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than and up 75%
	KPI Almost Met	Actual vs. target between 76% and 99%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 101% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target of 151% and more achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas					Total
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation	
	KPI Not Yet Measured						
	KPI Not Met						
	KPI Almost Met						
	KPI Met						
	KPI Well Met						
	KPI Extremely Well Me						
Total							

5.3 Treasury Services Department –Asset Management Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Compliance of Assets Register as per the GRAP Requirements	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Update of the Fixed asset Register	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Asset physical verification conducted	4	4	**1**	**1**	1	1	2	2	Met			4	4
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and	Reconciliation between FAR and GL	12	12	**3**	**3**	3	3	6	6	Met			12	12

	controlling of the monetary resources of the municipality														
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Quarterly responsibility to answer audit issues	4	4	**1**	**1**	1	0	2	1	Met			4	4
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Monthly Financial report for FINCOM	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Review of Policies	1	1	0	0	0	0	0	0	Met				
Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Year Assistance in the Drawing of AFS after year end	1	1	1	1	0	0	1	1	Met			1	1

Financial Viability and Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Mitigating identified Asset Management Risk	4	4	1	1	1	1	2	2	Met			4	4

Budget and Financial Reporting

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Manage and oversee layout and balancing of general ledger	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Approve and control all year-end journals	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing,	Yearly Approve journals in respect of capital	1	1	1	1	0	0	1	1	Met			1	1

	monitoring, organizing and controlling of the monetary resources of the municipality.)	changes and the reconciliation of amounts debited from the General Ledger to the loans register													
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Control suspense accounts	12	12	3	3	3	3	6	6	Met			3	3
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of	Yearly Draw up the Financial Statements of the municipality within two months after year-end	1	1	1	1	0	0	1	1	Met			1	1

	the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Ensure the submission of the Financial Statements to Auditor-General, PT and NT	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Ensure that a year closing on the computer system is done	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing	Yearly Manage and compiling of year-end planning timetable	1	1	0	0	0	0	0	0	Not Yet Due			1	1

	and controlling of the monetary resources of the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Control over the calculation of capital charges for the current and future loans	1	1	0	0	0	0	0	0	Not Yet Due			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Ensure that budget documents to Departmental and section heads being send out	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and	Sound financial management-	Yearly Advise with the drawing	1	1	0	0	0	0	0	0	Not Yet Due			1	1

Management	(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	up a capital Budget of all current and newly identified projects													
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Arrange meetings with Departmental/Section Heads and Municipal Manager To establish preliminary expected expenditure for the budget	2	2	0	0	0	0	0	0	Not Yet Due			2	2
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary	Monthly Manage and control that loans are handling correctly.	12	12	3	3	3	3	6	6	Met			12	12

	resources of the municipality.)														
Financial Viability and Management	Sound financial management- (The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Review the loans register and reconcile with individual loans	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management- (The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Manage and control that funds and reserves are handling correctly.	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management- (The planning, directing, monitoring,	Yearly Review the register for all funds	1	1	1	1	0	0	1	1	Met			1	1

	organizing and controlling of the monetary resources of the municipality.)	and reserves.													
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Yearly Supervise and authorise that year-end journals being done correctly	1	1	1	1	0	0	1	1	Met			1	1
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Manage and control that investments are handling correctly.	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and	Sound financial	Monthly Co-responsible	12	12	3	3	3	3	6	6	Met			12	12

Management	management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	for investments in conjunction with the Manager Expenditure and Financial Director.												
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Obtain monthly information regarding interest received	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of	Monthly Manage and control that statistics are handling correctly.	12	12	3	3	3	3	6	6	Met			12	12

	the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Review that statistics data information being kept for reports	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Monthly Compile specialist reports to the CFO and Municipal Manager as requested.	12	12	3	3	3	3	6	6	Met			12	12
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing	Review monthly financial report for FINCOM	12	12	3	3	3	3	6	6	Met			12	12

	and controlling of the monetary resources of the municipality.)														
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Quarterly Co-responsible to answer related internal and external audit reports	4	4	1	1	1	1	2	2	Met			4	4
Financial Viability and Management	Sound financial management-(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	Number of Days Act as Financial Director (CFO) when necessary.	24	24	6	10	6	44	12	54	Extremely Met			24	24
Financial Viability and	Sound financial management-	Half yearly Co-responsible	2	2	0	0	0	0	0	0	Not Yet Due			2	2

Management	(The planning, directing, monitoring, organizing and controlling of the monetary resources of the municipality.)	for training of personnel on a continuous basis													

5.3.1 Summary of Results: Key Performance Area:

Colour	Achievement	Number
	KPI Not Yet Measured	5
	KPI Not Met	0
	KPI Almost Met	0
	KPI Met	21
	KPI Well Met	0
	KPI Extremely Met	1
Total		**27**

Expenditure Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Management of insurance cover	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Renewed annual insurance cover	1	1	**1**	**1**	0	0	1	1	Met			1	1
Facilitate insurance claim	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Number of insurance claims reports generated	12	12	**3**	**3**	3	3	3	3	Met			12	12
Pay all invoices received within 30 days	Sound financial management (The planning, directing, monitoring and controlling of the monetary	Percentage of invoices paid	65%	65%	**65%**	**58%**	65%	70%	65%	64%	Underachieved due to negative cash flow			65%	65%

	resources of the municipality														
Oversee suppliers reconciliation statements and creditors register	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Percentage of reconciled creditors accounts	90%	90%	**90%**	**89%**	90%	83%	90%	86%	Unerachieved- Non-submission of statements by suppliers and new suppliers that does not have the culture to submit statements			90%	90%
Identify and refine report incidents of irregular, fruitless and wasteful expenditure	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Number of reports produced	12	12	**3**	**3**	3	3	3	3	Met			12	12
Review and clearing of unreleased payments	Sound financial management (The planning, directing, monitoring	Number of reports printed from online banking to be cleared	48	48	**12**	**12**	12	11	12	23	Underachieved- System off-line			48	48

on the bank	and controlling of the monetary resources of the municipality														
Monthly cash flow focus report	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Number of cash flow reports	12	12	3	3	3	3	3	3	Met			12	12
Clean Audit	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of the municipality	Progress report on queries raised	12	12	3	3	3	3	3	3	Met			12	12
Effective risk Management	Sound financial management (The planning, directing, monitoring and controlling of the monetary resources of	Mitigating identified Expenditure Management Risk	4	4	1	1	1	1	3	3	Met			4	4

	the municipality													

Revenue Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Financial viability	Effective Revenue Management	% payment rate on monthly billing		80%	**75%**	**52%**	80%	54%	78%	53%	Under-achieved			75%	80%
Good Governance	Effective Risk management	Quarterly submission of Risk report & mitigate		1	**1**	**1**	1	1	1	1	Met				
Financial viability	Effective Revenue management	Number of monthly billing conducted		12	**3**	**3**	3	3	3	3	Met			12	12
Financial viability	Effective Revenue Management	Number of balanced reports generated	12	12	**3**	**3**	3	3	6	6	Met			12	12
Financial viability	Effective Revenue Management	Number of authorised billing runs	12	12	**3**	**3**	3	3	3	3	Met			12	12
Financial viability	Effective Revenue Management	Number of reviewed Revenue Enhancement Strategy	1	1	**0**	**0**	0	0			Due fourth quarter			1	1

Financial viability	Effective Revenue Management	Number of reports send to Electricity & Water divisions		12	3	3	3	3						12	12
Financial viability	Poverty alleviation	Number of Indigent registered households	7000	10000	2000	2363	4500	4717			Met				
Service Delivery & Customer Care	Effective Customer Relations	% queries resolved within 3 days	60%	75%	60%	60%	65%	80%	63%	70%	Met			75%	80%
Financial viability	Effective Cash Management	% of daily cash banked	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Financial viability	Effective Revenue Management	% Implementation of valuation roll	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Financial viability	Effective Revenue Management	% monthly update of deeds registration	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Financial viability	Effective Revenue Management	% Defaulting consumers disconnected	70%	80%	80%	89%	80%	88%	80%	89%	Met			80%	80%

Governance	Effective Revenue Management	Number of Revenue Related policies reviewed	5	5	0	0	0	0			Due fourth quarter				
Governance	Effective Revenue Management	% of Audit Queries answered within 7 days	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%

Supply Chain Management Division

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid Year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Policy Management	Review & Record changes of the SCM policy	Percentage of reviewed SCM policy submitted for approval	100%	100%	0	0	0	0	0	0	Not Yet Due			100%	100%
Logistics Management	Quarterly Stock take of inventory	Number of stock takes conducted	4	4	1	1	1	1	2	2	Met			4	4
Audit	Updating of progress of audit action plan	Monthly update of progress on audit action plan	90%	100%	0	0	0	0	0	0	Not Yet Due			100%	100%
	Responding to quarterly internal audit matters	% of queries cleared within time frames	100%	100%	100%	100%	100%	100%	100%	100%	Met			100%	100%
Internal Controls	Workshop with departments on SCM implementations shortfalls	Number of workshops with departments on SCM Challenges	5	5	0	0	0	0	0	0	Not Yet Due			5	5

Supplier management	Maintenance of suppliers database	Quarterly update of supplier database	1	1	0	0	0	0	0	0	Not Yet Due			1	1
Acquisition Management	Managing the bid Specification Committee meeting	Percentage of BSC meetings held meetings held	90	100%	100%	100%	100%	100	100%	100%	Met			100%	100%
	Managing the bid Evaluation Committee	Percentage of bid Evaluation meetings held	90%	100%	100%	100%	100%	85%	90%	100%	Met			100%	100%
	Managing the bid Adjudication Committee	Percentage of bid Adjudication meetings held	90%	100%	100%	100%	100%	80%	90%	100%	Met			100%	100%
	Submission of SCM report on deviation	Submission of SCM report on deviation	12	12	3	3	3	3	6	6	Met			12	12
	Submission of quarterly report on contract management	Submission of quarterly report on contract management	4	4	1	1	1	1	2	2	Met			4	4
Demand Management	Preparation & monitoring of procurement plan	Preparation & monitoring of procurement plan	4	4	1	1	1	1	2	2	Met			4	4
Compliance	Update of sectional risk register	Quarterly update of risk register against	4	4	1	1	1	1	2	2	Met			4	4

		progress of risk actions													

MID-YEAR BUDGET AND PERFORMANCE ASSESSMENT REPORT

01 JULY 2018-31 DECEMBER 2018

OFFICE OF THE EXECUTIVE MAYOR
SETSOTO LOCAL MUNICIPALITY
FICKSBUR 9730

Part 1
Financial Information

1. Purpose

The purpose of the report is to inform Council of the municipality's mid-year actual performance for the Mid-year financial year against the approved budget and the service delivery and budget implementation plan in compliance with Section 52(d) of the Municipal Finance Management Act, 56 of 2003 and the requirements as promulgated in the Government Gazette No 32141 of 17 April 2009, by providing the statement of the implementation of the budget, financial state of affairs and the implementation of the service delivery and budget implementation plan of the municipality to the Council, as legislated.

2. Strategic Objective

The strategic objective of this report is to ensure good governance, financial viability and management and optimal organisational development and transformation to execute its mandate.

3. Background

Section 52(d) of the Municipal Financial Management Act, 56 of 2003 and Section 28 of Government Notice 32141 dated 17 April 2009, regarding the "Local Government Management Financial Management Act, 56 of 2003 and the Municipal Budget and Reporting Regulations" necessitates that specific financial particulars be reported on and in a prescribed format, hence this report to meet legislative compliance.

In terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, "the mayor of a municipality-

(d) must, within 30 days of the end of each quarter, submit a report to the council on the implementation of the budget and the financial state of affairs of the municipality."

In terms of Section 71(1) of the Municipal Finance Management Act, 56 of 2003

"The accounting officer of a municipality must by no later than ten working days after the end of each month submit to the mayor of the municipality and the relevant provincial treasury a statement in the prescribed format on the state of the municipality's budget reflecting the following particulars for that month end for the financial year up to the end of that month……"

Furthermore Section 31(1) of the Municipal Finance Management Act, 56 of 2003, prescribes the following:

"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 a format specified in Schedule C and include all the required tables, charts and explanatory information, taking into account any guidelines by the Minister in terms of Section 168(1) of the Act; and
(b) Consistent with monthly budget statement for July, August and September as applicable; and
(c) Submitted to the National and relevant Provincial treasury within five (5) days of tabling of the report to council.

Furthermore the Municipal Budget and Reporting Regulations Section 28 stipulates that:

"The monthly budget statement of a municipality must be in a 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"

4. Report for the Quarter ended 31 December 2017

This report is based upon financial and non-financial information as at 31 December 2017 and available at the time of preparation. All variances are calculated against the approved budget and service delivery and budget implementation plan figures. The results for the quarter ended 31 December 2017 are summaries as follows:

4.1 Statement of Financial Performance-Table C4

Revenue

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – Mid-year									
Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Revenue By Source									
Property rates									
Property rates - penalties & collection charges									
Service charges - electricity revenue									
Service charges - water revenue									
Service charges - sanitation revenue									
Service charges - refuse revenue									
Service charges - other									
Rental of facilities and equipment									
Interest earned - external investments									
Interest earned - outstanding debtors									
Dividends received									
Fines									
Licences and permits									
Agency services									
Transfers recognised - operational									
Other revenue									
Gains on disposal of PPE									
Total Revenue (excluding capital transfers and contributions)									

	Mid-year Year to date Budget	Mid-year Year to date Actual	Variance
Revenue By Source			
Expenditure By Type			
Surplus/(Deficit)			

Expenditure

FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) – Mid-year									
Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									
Expenditure By Type									
Employee related costs									
Remuneration of councillors									
Debt impairment									
Depreciation & asset impairment									
Finance charges									
Bulk purchases									
Other materials									
Contracted services									
Transfers and grants									
Other expenditure									
Loss on disposal of PPE									
Total Expenditure									

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits – Mid-year									
Summary of Employee remuneration	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YTD actual	YTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
Other Municipal Staff									
Basic Salaries and Wages									
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Bonus									
Motor Vehicle Allowance									
Cell phone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Other Municipal Staff									
% increase									
Total Parent Municipality									

Revenue and Expenditure by municipal vote

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and by municipal vote) – Mid-year									
Vote Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									
Revenue by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									

Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Revenue by Vote									

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (expenditure by municipal vote) – Mid-year									
Vote Description	**2016/17**	**Budget Year 2017/18**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands								**%**	
Expenditure by Vote									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Expenditure by Vote									

5. Capital Expenditure-Table C5

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – Mid-year									
Vote Description	**2016/17**	**Budget Year 2017/18**							
	Audited Outcome	**Original Budget**	**Adjusted Budget**	**Monthly actual**	**Year TD actual**	**Year TD budget**	**YTD variance**	**YTD variance**	**Full Year Forecast**
R thousands									
Capital Expenditure - Standard Classification									
Governance and administration									
Executive and council									
Budget and treasury office									
Corporate services									
Community and public safety									
Community and social services									
Sport and recreation									
Public safety									
Housing									
Health									
Economic and environmental services									
Planning and development									
Road transport									
Environmental protection									
Trading services									

Electricity									
Water									
Waste water management									
Waste management									
Other									
Total Capital Expenditure - Standard Classification									

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, standard classification and funding) – Mid-year

Vote Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									
Single Year expenditure appropriation									
Vote 1 -									
Vote 2 -									
Vote 3 -									
Vote 4 -									
Vote 5 -									
Vote 6 -									
Vote 7 -									
Vote 8 -									
Vote 9 -									
Vote 10 -									
Vote 11 -									
Vote 12 -									
Vote 13 -									
Vote 14 -									
Vote 15 -									
Total Capital single-year expenditure									
Total Capital Expenditure									

6. Cash Flow Statement-Table C7

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - Mid-year

Description	2016/17	Budget Year 2017/18							
	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	Year TD actual	Year TD budget	YTD variance	YTD variance	Full Year Forecast
R thousands								%	
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other									
Government - operating									
Government - capital									
Interest									
Dividends									
Payments									
Suppliers and employees									
Finance charges									
Transfers and Grants									
NET CASH FROM/(USED) OPERATING ACTIVITIES									
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE									

Decrease (Increase) in non-current debtors									
Decrease (increase) other non-current receivables									
Decrease (increase) in non-current investments									
Payments									
Capital assets									
NET CASH FROM/(USED) INVESTING ACTIVITIES									
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans									
Borrowing long term/refinancing									
Increase (decrease) in consumer deposits									
Payments									
Repayment of borrowing									
NET CASH FROM/(USED) FINANCING ACTIVITIES									
NET INCREASE/ (DECREASE) IN CASH HELD									
Cash/cash equivalents at beginning:									
Cash/cash equivalents at month/year end:									

7. Outstanding Debtors Report-Table SC3

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors – Mid-year										
Description	**Budget Year 2017/18**									
R thousands	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Days**	**151-180 Days**	**181 Dys-1 Year**	**Over 1Year**	**Total**	**Total over 90 days**
Debtors Age Analysis By Income Source										
Trade and Other Receivables from Exchange Transactions- Water										
Trade and Other Receivables from Exchange Transactions - Electricity										
Receivables from Non-exchange Transactions - Property Rates										
Receivables from Exchange Transactions - Waste Water Management										
Receivables from Exchange Transactions - Waste Management										
Receivables from Exchange Transactions - Property Rental Debtors										
Interest on Arrear Debtor Accounts										
Recoverable unauthorised, irregular, fruitless and wasteful expenditure										
Other										
Total By Income Source										
2016/17 - totals only										
Debtors Age Analysis By Customer Group										
Organs of State										
Commercial										
Households										
Other										
Total By Customer Group										

7.1 Debtors Collection Rate

7.2 Payment Rate Graph

7.3 Payment Rate by Ward

7.4 Electricity losses

7.5 Water Losses

8. Outstanding Creditors Report-Table SC4

. FS191 Setsoto - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-year									
Description	Budget Year 2017/18								
R thousands	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type									
Bulk Electricity									
Bulk Water									
PAYE deductions									
VAT (output less input)									
Pensions / Retirement deductions									
Loan repayments									
Trade Creditors									
Auditor General									
Other									
Total By Customer Type									

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-year						
Description of financial indicator	Basis of calculation	2016/17	Budget Year 2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	Year TD actual	Full Year Forecast
Borrowing Management						
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure					
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants					
Safety of Capital						
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves					
Gearing	Long Term Borrowing/ Funds & Reserves					
Liquidity						
Current Ratio	Current assets/current liabilities					
Liquidity Ratio	Monetary Assets/Current Liabilities					
Revenue Management						
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing					
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue					
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old					
Creditors Management						
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))					
Funding of Provisions						
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions					
Other Indicators						

Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated					
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source					
Employee costs	Employee costs/Total Revenue - capital revenue					
Repairs & Maintenance	R&M/Total Revenue - capital revenue					
Interest & Depreciation	I&D/Total Revenue - capital revenue					
IDP regulation financial viability indicators						
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)					
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services					
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure					

9. Investment Portfolio

9.1 Investment balances as at 31 December 2017

FS191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-year								
Investments by maturity Name of institution & investment ID	**Period of Investment**	**Type of Investment**	**Expiry date of investment**	**Accrued interest for the month**	**Yield for the month 1 (%)**	**Market value at beginning of the month**	**Change in market value**	**Market value at end of the month**
R thousands	**Yrs/Months**							
Municipality								
Absa Bank								
Eastern FS Co-op								
FNB								
Sanlam								
Municipality sub-total								

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
TOTAL		

9.2 Bank balances as at 31 December 2017

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

DESCRIPTION	CLOSING BALANCE	INTEREST TO DATE
MONEY MARKET (Account Number: 62151783563)		
MIG-INVESTMENT (Account Number: 6210540465)		
BUSINESS CALL (Account Number: 6249046205)		
PRIMARY BANK (Account Number: 62048092647)		
TOTAL		

10. Financial Implications

Non-financial Information

1. Purpose

The purpose of this report is to inform council regarding the process made with the implementation of the Key Performance Indicators in the realisation of the development of priorities and objectives as determined in the municipality's Integrated Development Plan Mid-year as well as the Top layer Service Delivery and Budget Implementation Plan Mid-year for the Mid-year (1 July 2017 -31 December 2017) of the Mid-year financial year.

2. Legislative Requirements

(a) The Service Delivery and Budget Implementation Plan is defined in terms of Section 1 of the Local Government: Municipal Finance Management Act, 56 of 2003, and the format is described by the Municipal Finance Management Act, 56 of 2003 Circular 13.

(b) Section 41(1) (e) of Local Government: Municipal Systems Act, 32 of 2000, prescribes that a process must be established of regular reporting to Council.

(c) This report is a requirement in terms of Section 52(d) of the Municipal Finance Management Act, 56 of 2003, which provide for:

- The Executive Mayor, to submit to council within 30 days of the end of each quarter, a report on the implementation of the budget and financial state of affairs of the municipality
- The accounting officer, while conducting the above, must take into account:
    - Section 71 Reports
    - Performance in line with the Service Delivery and Budget Implementation Plans

3. Background to the format and monitoring of the Service Delivery and Budget Implementation Plan

3.1 Format

(a) The municipality's Service Delivery and Budget Implementation Plan consist of a Top Layer (Outcomes) as well as a Departmental Plan (Outputs) for each individual department.

(b) For purpose of reporting, the Top Layer Service Delivery is used to report to council and community on the organisational performance of the municipality.

(c) The Top Layer Service Delivery measures the achievement of performance indicators with regards to the provision of basic services as prescribed by Section 10 of Local Government: Municipal Planning and Performance Regulations of 2001, National Key Performance Areas and Planning Statement detailed in the Integrated Development Plan Mid-year and the Service Delivery and Budget Implementation Plan Mid-year. The Top Layer Service Delivery and Budget Implementation Plan Mid-year was approved by the Executive Mayor on the 24 November 2016 due to the election and the establishment of the type of the municipality.

(d) The Departmental Service Delivery and Budget Implementation Plan Mid-year measure the achievement of performance indicators that have been determined with regard to operational service delivery within each department and have been aligned with the Top Layer Service Delivery and Budget Implementation Plan through activities and tasks. The Departmental Service Delivery and Budget Implementation Plans have been approved by the Municipal Manager.

(e) The Quarterly Performance Assessment Report is structured to report on the five (5) Municipal Key Performance areas

(f) The overall assessment of actual performance against targets set for the key performance indicators as documented in the Service Delivery and Budget Implementation Plan is illustrated in terms of the following assessment methodology:

Colour	Category	Explanation
	KPI Not Yet Measured	KPI's with no targets or actual results for the selected period
	KPI Not Met	Actual vs. target less than 75%
	KPI Almost Met	Actual vs. target between 75% and 100%
	KPI Met	Actual vs. target 100% achieved
	KPI Well Met	Actual vs. target more than 100% and less than 150% achieved
	KPI Extremely Well Met	Actual vs. target more than 150% achieved

3.2 Monitoring

This is the last time the municipality uses manual system to monitor performance, as it has acquired an electronic web based system that will:

(a) quarterly be updated with actual performance
(b) Close every third month on the 10th for update of the previous quarter month's actual performance as a control measure to ensure that performance is updated and monitored on a quarterly month's actual performance as a control measure to ensure that performance is updated and monitored on a monthly basis.
(c) Have no access available to a quarter's performance indicators after closure of the system. This is to ensure that the level of performance is consistent for a particular period in the various levels at which reporting takes place.
(d) Ensure departments motivate to the Municipal Manager should they require the system to be re-opened once the system is closed.
(e) Ensure the system provides management information in graphs and indicates actual performance against targets. The graphs provide a good indication of performance progress and where corrective action is required.
(f) Ensure system requires key performance indicator owners to update performance comment for each actual result captured, which provides a clear indication of how the actual was calculated/ reached and serves as part of the portfolio of evidence (POE) for auditing purposes.
(g) In terms of Section 46(1)(a)(iii) of the MSA the Municipality reflect annually in the Annual Performance Report on measures taken to improve performance, in other words targets not achieved. The system utilised requires corrective actions to be captured for targets not achieved

4. Overall Performance of the Municipality

Municipality		Key Performance Areas				
		Infrastructure and Service Delivery	Local Economic Development	Organisational Development and Transformation	Financial Viability and Management	Good Governance and Public Participation
	KPI Not Yet Measured					
	KPI Not Met					
	KPI Almost Met					
	KPI Met					
	KPI Well Met					
	KPI Extremely Well Me					

5. ACTUAL DEPARTMENTAL PERFORMANCE AND CORRECTIVE MEASURES THAT WILL BE IMPLEMENTED

5.5 DEPARTMENT OF DEVELOPMENT PLANNING AND SOCIAL SECURITY

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Service Delivery and Infrastructure	Providing Effective Community Services and Promotion of Local Economy	Number of parks managed	7	7	7	7	7	7	7	7				7	7
		Number of recreational facilities managed	6	6	6	6	6	6	6	6				6	6
		Number of trees planted in public places	152	150	150	233	0	0	150	233				150	150
		Number of cemeteries managed	21	8	8	8	8	8	8	8				9	9
		Number of Cemeteries/ Burial Registers updated	8	8	8	8	8	8	8	8				1	1
		Number of halls cleaned and prepared	12	10	10	10	10	10	10	10				12	12
Good Governance and Public Participation		Number of registers updated	4	4	1	1	1	1	2	2				4	4
		Percentage of risk mitigated	100%	100%	25%	25%	25%	25%	50%	50%				100%	100%
		Number of monthly update of progress on audit action plan	2	2	1	1	0	0	1	1				2	2
		Internal and External Audit queries in the Parks Division	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Number of Quarterly	4	4	1	1	1	1	2	2				4	4

		Performance Report developed													
Service Delivery and Infrastructure	Providing Effective Community Services and Promotion of Local Economy	Percentage of households with access to basic level of solid waste removal	91%	90%	90%	94%	90%	91%	90%	93%				90%	90%
		Number of businesses in the Central Business District with access to basic service level of refuse removal	674	674	674	674	674	674	674	674				674	674
		Number of Public Awareness campaigns conducted with the Friday Cleaning Campaign.	35	36	9	11	9	9	18	20				36	36
		Percentage compliance of the four (4) landfill sites as per quarterly evaluation	62%	50%	50%	59%	50%	62%	50%	61%				50%	50%
		Number of reports of data collected at landfill site submitted to the S A Waste Information Centre.	24	24	6	6	6	6	12	12				24	24
		Number of reports on partnership	4	4	1	1	1	1	2	2				4	4

		forged with local recyclers.												
		Number of reports submitted as designated Waste management officer	0	4	1	1	1	1	2	2				
Good Governance	Providing Effective Community Services and Promotion of Local Economy	Number of updates on risk registers	4	4	1	1	1	1	2	2			4	4
		Internal and external Audit queries in the Waste Management Division	100%	100%	100%	100%	100%	100%	100%	100%			100%	100%
		Number of Quarterly Performance Report developed	100%	100%	100%	100%	100%	100%	100%	100%			100%	100%

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
SMME Development	Providing Effective Community Services and Promotion of Local Economy	Number of SMME's, Street traders and Cooperatives walk-ins for assistance with advice, referrals for finance, skills development support, registrations	200	200	50	96	50	68	100	164				200	200

SMME Development	Providing Effective Community Services and Promotion of Local Economy	Number of Capacity building activities offered to beneficiaries in terms of trainings, workshops, awareness campaigns, roadshows and seminars conducted.	6	8	2	11	2	4	4	15				8	8
Tourism Development		Number of tourism activities marketed	3	3	1	1	2	2	3	3				3	3
SMME Development		Number of applications or funding proposals lodged by SMME's and cooperatives through LED Office.	12	20	10	8	0	0	10	8	LED unit missed out on the DESTEA Funding programme trainings due to non-attendance of those meetings			20	20

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
		Number of Vendor Database updated	0	1	1	1	0	0	1	1				1	1
Local Economic Development		Number of Business Association/Foru	0	16	4	8	4	4	8	12				16	16

		m meetings facilitated												
Tourism Development		Tourism forum established	0	4	0	0	0	0	0	0				4	4
		Number of Hawkers Associations meetings facilitated	4	16	4	1	4	4	8	5	Lack of manpower			16	16

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020 Target	2020/2021 Target
					Target	Actual	Target	Actual	Target	Actual					
Local Economic Development	Providing Effective Community Services and Promotion of Local Economy	Number of beneficiaries provided with support (e.g. seeds; trainings; equipment)	60	60	30	21	20	0	50	21	Not achieved due to delays in procurement processing			60	60
		Number of visits conducted to projects for monitoring & evaluation	0	32	8	0	8	8	16	8	Task should be performed by Agri-Clerks but have no transport to travel around units			32	32
		Reviewed and council approved LED Strategy	0	1	0	0	0	0	0	0				0	0
Local Economic Development	Providing Effective	Updated Arts & Craft database	0	1	1	1	0	0	1	1				1	1

	Community Services and Promotion of Local Economy	Number of updated Tourism establishment database	0	1	1	1	0	0	1	1				1	1
		Number of crafters & exhibitors supported through trainings; establishing new businesses and participation in exhibitions	68	50	25	16	25	34	50	50				50	50
Local Economic Development	Providing Effective Community Services and Promotion of Local Economy	Number of businesses licences issued	200	200	50	0	80	0	130	0	Function was suspended since July – December 2018			200	200
		Number of hawkers permits issued	50	80	20	0	20	27	40	27	Shortage of manpower. Informal Trade Plan yet to be developed			80	80
		Number of activities on sports, arts and culture programmes implemented	4	6	2	2	1	1	3	3				6	6
		Number of sports council meetings facilitated	0	4	1	1	1	1	2	2				4	4
		Number of training/workshops conducted for	0	2	0	0	1	1	1	1				2	2

		sports and recreation council													
Good Governance		Percentage of Risk Reduction	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Number of registers updated	4	4	1	1	1	1	1	1				4	4
		Percentage respond within time frame	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Percentage respond within time frame	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance	Performance Review Comments	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Service Delivery and Infrastructure	Providing Effective Community Services and Promotion of Local Economy	Number of operational plan compiled and approved	1	1	1	1	0	0	1	1				1	1
		Percentage of emergencies incidents reported and attended to	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Number of Public Awareness campaigns on public safety conducted	12	12	3	3	3	3	6	6				12	12
		Number of roadblocks conducted	40	30	6	8	10	17	16	25				30	30

		Percentage of Law Enforcement fines issued	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Number of Risk Assessment conducted for event hosted	0	3	1	0	2	3	3	3				3	3
		Number of Disaster Management Fora established	1	3	2	0	0	1	2	1	Non-attendance of internal stakeholders				
		Percentage on point duty and escorts performed	100%	100%	100%	100%	100%	100%	100%	100%					

Good Governance	Providing Effective Community Services and Promotion of Local Economy	Number of updates on the risk register	4	4	1	1	1	1	2	2				4	4
		Updating of progress of audit action plan	2	2	1	1	0	0	1	1				2	2
		Internal and external Audit queries in the Traffic Section	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Number of Quarterly Performance Report developed	4	4	1	1	1	1	2	2				4	4

Key Performance Area	Predetermined Objectives	Key Performance Indicator	Baseline Indicator	Annual Target	First Quarter		Second Quarter		Mid-year		Comment On Variance Target	Performance Review Comments Target	Audit Assurance Comments	2019/2020	2020/2021
					Target	Actual	Target	Actual	Target	Actual				Target	Target
Service Delivery and Infrastructure	Providing Effective Community Services and Promotion of Local Economy	Number of employees vetted (Security Clearance)	29	40	10	20	10	0	20	20	Target already done in the first quarter			40	40
		Number of security awareness campaigns	0	2	0	0	0	0	0	0				2	2
		Number of properties provided with security	21	21	21	21	21	22	21	22	An Extra point (Senekal Multi-Purpose Centre) was covered			22	22
		Number of Security Managers Forum	0	4	1	0	1	2	2	2				4	4

		meetings attended													
		Percentage of Section 4 meetings held	100%	100%	100%	100%	100%	100%	100%	100%	No Section 4 meetings were conducted			100%	100%
		Number of Security Committee established	0	1	0	0	0	1	1	1				1	1
	Providing Effective Community Services and Promotion of Local Economy	Number of maintenance plan updated	1	1	0	1	1	0	1	1	Target achieved in First quarter			1	1
		Percentage of properties repaired	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
Good Governance	Providing Effective Community Services and Promotion of Local Economy	Number of monthly update of progress on audit action plan	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Number of updates on the risk	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%
		Updating of progress of audit action plan	100%	100%	100%	100%	100%	100%	100%	100%				100%	100%

5.5.1 Summary of Results: KPA 1- Service Delivery and Infrastructure

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.5.2 Summary of Results: KPA 2-Local Economic Development

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.3 Summary of Results: KPA 5-Good Governance and Public Participation

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

5.4.35.2.1 Summary of Results: KPA 3-Organisational Development and Transformation

Colour	Achievement	Number
	KPI Not Yet Measured	
	KPI Not Met	
	KPI Almost Met	
	KPI Met	
	KPI Well Met	
	KPI Extremely Met	
Total		

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Accountability

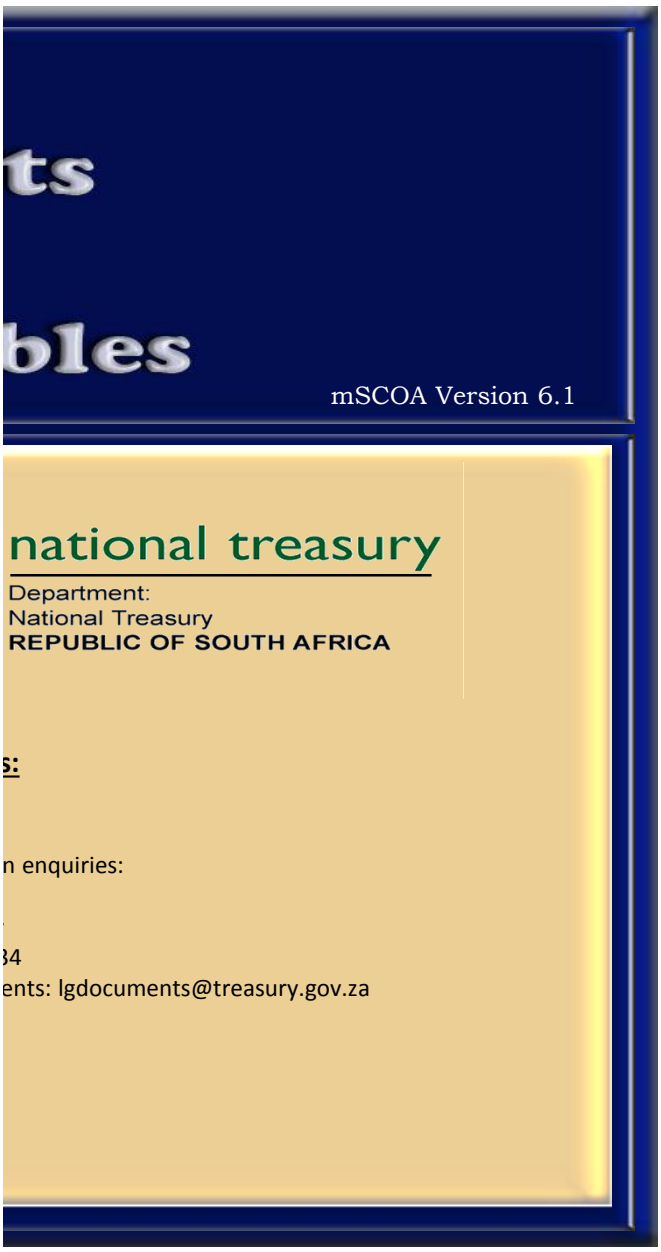
Transparency

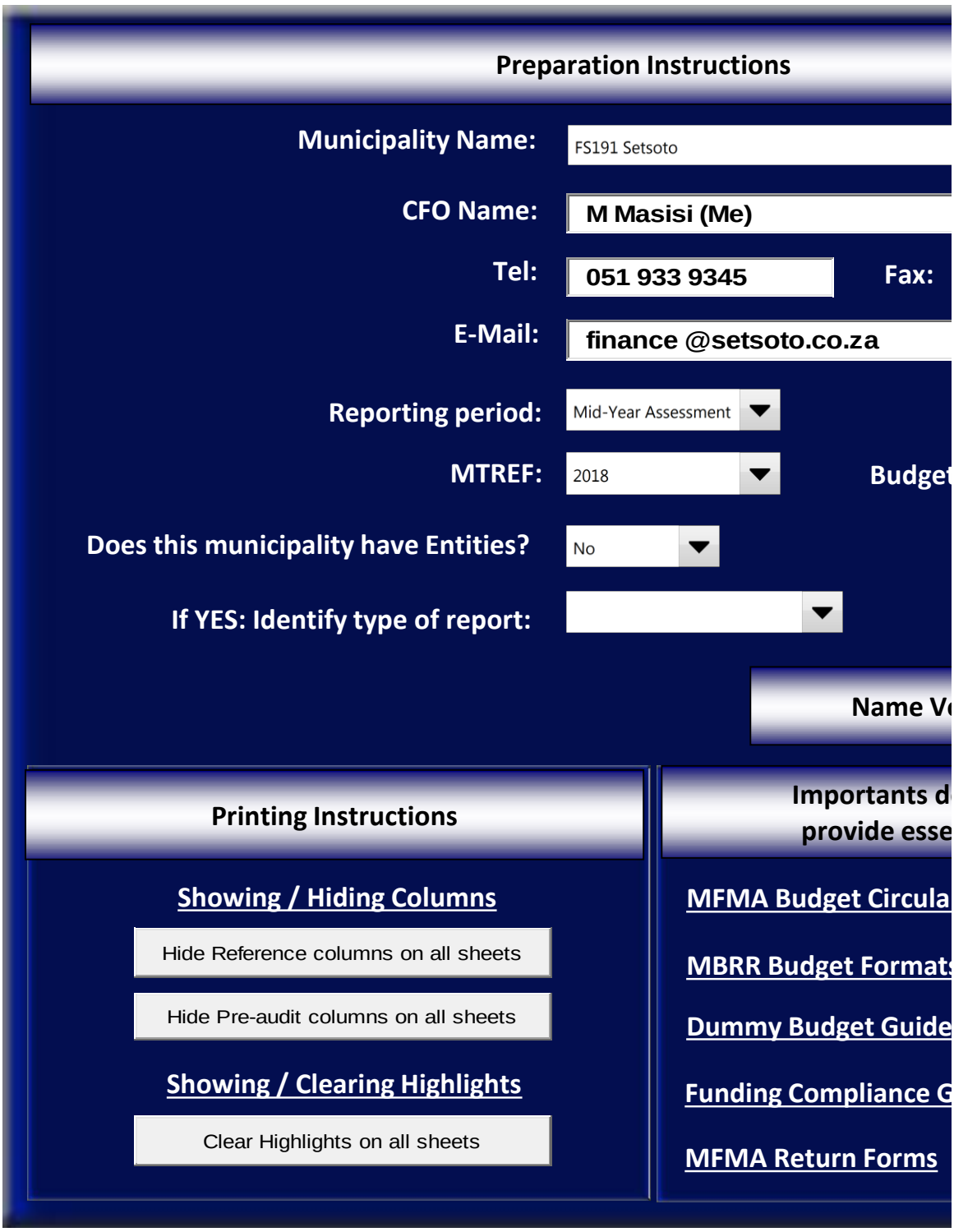
Information & service delivery

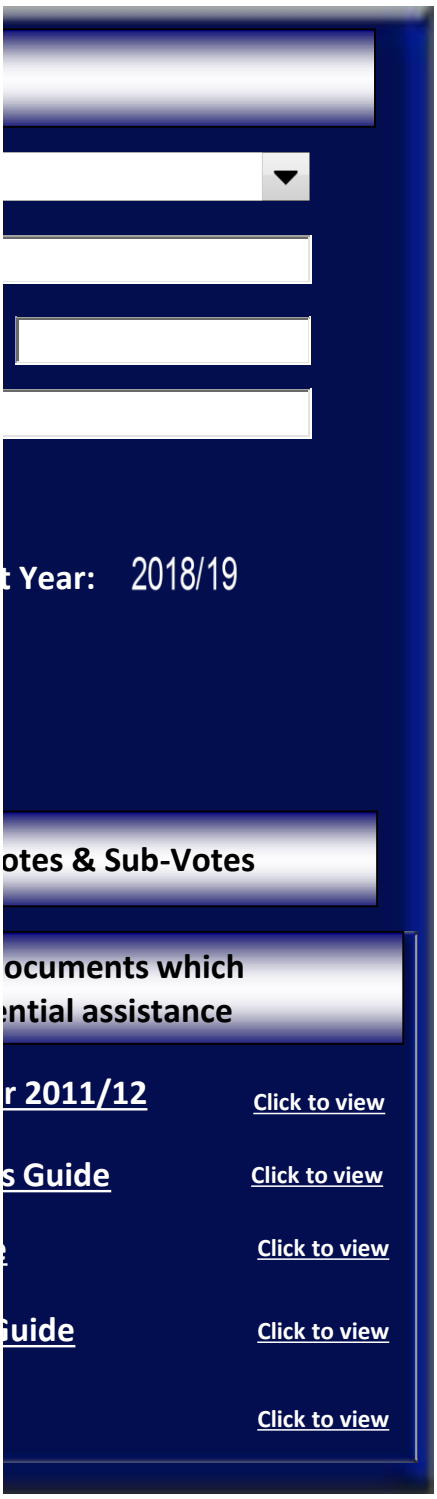


Contact details

Budget submissio
Elsabé Rossouw
National Treasury
Tel: (012) 315-553
Electronic docume


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mSCOA Version 6.1
national treasury
Department:
National Treasury
REPUBLIC OF SOUTH AFRICA
s:
n enquiries:
34
ents: lgdocuments@treasury.gov.za


Preparation Instructions
Municipality Name:
FS191 Setsoto
CFO Name:
M Masisi (Me)
Tel:
051 933 9345
Fax:
E-Mail:
finance @setsoto.co.za
Reporting period:
Mid-Year Assessment
MTREF:
2018
Budget
Does this municipality have Entities?
No
If YES: Identify type of report:
Name V
Printing Instructions
Showing / Hiding Columns
Hide Reference columns on all sheets
Hide Pre-audit columns on all sheets
Showing / Clearing Highlights
Clear Highlights on all sheets
Importants d
provide esse
MFMA Budget Circula
MBRR Budget Format
Dummy Budget Guide
Funding Compliance G
MFMA Return Forms


t Year: 2018/19
otes & Sub-Votes
ocuments which
ntial assistance
r 2011/12
Click to view
s Guide
Click to view
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Guide
Click to view
Click to view

Organisational Structure Votes		Complete Votes & Sub-Votes	Select Org. Structure		
			Balance type CY	BB:YR0:M	CAS:YR0:M
Vote 1 - Executive and council	**Vote 1**	**Executive and council**	FX999001	Balance type PY	BC:YR1:PER
Vote 2 - Municipal Manager	1.1	Mayor and Council: Council General (Dept 1)	FX004001001001000000	Balance	BB:YR0:M
Vote 3 - Treasury	1.2	Mayor and Council: Mayor Support Office (Dept 3)	FX004001001002000000	Balance	BC:RND:
Vote 4 - Corporate Services	1.3	Mayor and Council: Speaker Support Office (Dept 5)	FX004001001003000000		
Vote 5 - Development Planning and Social Security	1.4	Default	FX999999		
Vote 6 - Development Planning and Social Security	1.5	Default	FX999999		
Vote 7 - Engineering Services	1.6	Default	FX999999		
Vote 8 - Engineering Services	1.7	Default	FX999999		
Vote 9 - Default	1.8	Default	FX999999		
Vote 10 - Default	1.9	Default	FX999999		
Vote 11 - Default	1.10	Default	FX999999		
Vote 12 - Default	**Vote 2**	**Municipal Manager**	FX999002		
Vote 13 - Default	2.1	Municipal Manager Town Secretary and Chief Executive: Office of	FX004001002001000000		
Vote 14 - Default	2.2	Governance Function: Internal Audit (Dept 105)	FX008001001001000000		
Vote 15 - Default	2.3	Corporate Wide Strategic Planning (IDPs LEDs): IDP/PMS Office (	FX010001002001000000		
	2.4	Information Technology: Information Technology (Dept 107)	FX005001007001000000		
	2.5	Risk Management: Risk Management (Dept 102)	FX005001011001000000		
	2.6	Municipal Manager Town Secretary and Chief Executive	FX004001002000000000		
	2.7	Information Technology	FX005001007000000000		
	2.8	Default	FX999999		
	2.9	Default	FX999999		
	2.10	Default	FX999999		
	Vote 3	**Treasury**	FX999003		
	3.1	Finance: Default	FX005001004999000000		
	3.2	Budget and Treasury Office: Budget and Reporting (Dept 213)	FX005001003001000000		
	3.3	Budget and Treasury Office: Budget and Treasury Office General (	FX005001003002000000		
	3.4	Finance: Assessment Rates (Dept 230)	FX005001004001000000		
	3.5	Finance: Expenditure Management (Dept 211)	FX005001004002000000		
	3.6	Finance: Revenue Management (Dept 221)	FX005001004003000000		
	3.7	Asset Management: Asset Management (Dept 223)	FX005001002001000000		
	3.8	Supply Chain Management: Supply Chain Management (Dept 215	FX005001013001000000		
	3.9	Asset Management	FX005001002000000000		
	3.10	Default	FX999999		
	Vote 4	**Corporate Services**	FX999004		
	4.1	Administrative and Corporate Support: Administration and Suppor	FX005001001001000000		
	4.2	Administrative and Corporate Support: Corporate Service Manage	FX005001001003000000		
	4.3	Human Resources: Human Resource Development (Dept 307)	FX005001006001000000		
	4.4	Human Resources: Human Resource Administratoin (Dept 303)	FX005001006002000000		
	4.5	Human Resources: Payroll Section (Dept 304)	FX005001006003000000		
	4.6	Legal Services: Legal Service and Communiciation (Dept 305)	FX005001008002000000		
	4.7	Administrative and Corporate Support	FX005001001000000000		
	4.8	Default	FX999999		
	4.9	Default	FX999999		
	4.10	Default	FX999999		
	Vote 5	**Development Planning and Social Security**	FX999005		
	5.1	Cemeteries Funeral Parlours and Crematoriums: Cemetries (Dept	FX001001003001000000		
	5.2	Community Halls and Facilities: Halls (Dept 407)	FX001001005001000000		
	5.3	Disaster Management: Disaster Management (Dept 436)	FX001002008001000000		
	5.4	Corporate Wide Strategic Planning (IDPs LEDs): LED and Tourism	FX010001002002000000		
	5.5	Recreational Facilities: Caravan Park (Dept 421)	FX013001003001000000		
	5.6	Recreational Facilities: Swimming Pool (Dept 409)	FX013001003002000000		
	5.7	Sports Grounds and Stadiums: Sport Grounds and Stadiums (Dep	FX013001004001000000		
	5.8	Property Services: Properties (Dept 411)	FX005001010001000000		
	5.9	Libraries and Archives: Library (Dept 403)	FX001001006001000000		
	5.10	Property Services	FX005001010000000000		
	Vote 6	**Development Planning and Social Security**	FX999006		
	6.1	Fire Fighting and Protection: Fire Fighting (Dept 435)	FX011001005001000000		
	6.2	Police Forces Traffic and Street Parking Control: Security Services	FX012001001001000000		
	6.3	Police Forces Traffic and Street Parking Control: Traffic (Dept 431	FX012001001002000000		
	6.4	Solid Waste Disposal (Landfill Sites): Waste Management (Dept 4	FX014001002001000000		
	6.5	Solid Waste Removal: Comm Serv Admin (Dept 401)	FX014001003001000000		
	6.6	Solid Waste Removal: Waste Management (Dept 480)	FX014001003002000000		
	6.7	Core Function: Health Services: Health Environmental Services	FX006001001001000000		
	6.8	Health Services: Health Environmental Services	FX006001001002000000		
	6.9	Health Services: Health Public Services (Dept 4)	FX006001001003000000		
	6.10	Health Services: Abbatoir (dept 445)	FX006001001004000000		
	Vote 7	**Engineering Services**	FX999006		
	7.1	Core Function: Electricity	FX002001001000000000		
	7.2	Electricity: Electricity Distribution (Dept 530)	FX002001001001000000		
	7.3	Roads: Roads and Storm Water (Dept 521)	FX012001004001000000		
	7.4	Roads: Tech Serv Admin (Dept 501)	FX012001004002000000		
	7.5	Sewerage: Sewerage Services (Dept 550)	FX015001002001000000		
	7.6	Water Distribution: Water Distribution (540)	FX016001002001000000		
	7.7	Water Treat/Water Treatment (Dept 540)	FX016001001001000000		
	7.8	Water Distribution	FX016001002000000000		
	7.9	Default	FX999999		
	7.10	Default	FX999999		
	Vote 8	**Engineering Services**	FX999006		
	8.1	Core Function: Housing	FX007001001000000000		
	8.2	Housing: Housing Administration (Dept 311)	FX007001001001000000		
	8.3	Project Management Unit: Project Management Unit (Dept 503)	FX010001007001000000		
	8.4	Fleet Management: Workshop (Dept 511)	FX005001005001000000		
	8.5	Administrative and Corporate Support: Tech Services Administrati	FX005001001004000000		
	8.6	Default	FX999999		
	8.7	Default	FX999999		
	8.8	Default	FX999999		
	8.9	Default	FX999999		
	8.10	Default	FX999999		
	Vote 9	**Default**	FX999999		
	9.1	Default	FX999999	9.1 - [Name of sub-vote]	
	9.2	Default	FX999999		
	9.3	Default	FX999999		
	9.4	Default	FX999999		
	9.5	Default	FX999999		
	9.6	Default	FX999999		
	9.7	Default	FX999999		
	9.8	Default	FX999999		
	9.9	Default	FX999999		
	9.10	Default	FX999999		
	Vote 10	Default	FX999999		
	10.1	Default	FX999999	10.1 - [Name of sub-vote]	
	10.2	Default	FX999999		
	10.3	Default	FX999999		
	10.4	Default	FX999999		
	10.5	Default	FX999999		
	10.6	Default	FX999999		
	10.7	Default	FX999999		
	10.8	Default	FX999999		
	10.9	Default	FX999999		
	10.10	Default	FX999999		
	Vote 11	Default	FX999999		
	11.1	Default	FX999999	11.1 - [Name of sub-vote]	
	11.2	Default	FX999999		
	11.3	Default	FX999999		
	11.4	Default	FX999999		
	11.5	Default	FX999999		
	11.6	Default	FX999999		
	11.7	Default	FX999999		
	11.8	Default	FX999999		
	11.9	Default	FX999999		
	11.10	Default	FX999999		
	Vote 12	Default	FX999999		
	12.1	Default	FX999999	12.1 - [Name of sub-vote]	
	12.2	Default	FX999999		
	12.3	Default	FX999999		
	12.4	Default	FX999999		
	12.5	Default	FX999999		
	12.6	Default	FX999999		
	12.7	Default	FX999999		
	12.8	Default	FX999999		
	12.9	Default	FX999999		
	12.10	Default	FX999999		
	Vote 13	Default	FX999999		
	13.1	Default	FX999999	13.1 - [Name of sub-vote]	
	13.2	Default	FX999999		
	13.3	Default	FX999999		
	13.4	Default	FX999999		
	13.5	Default	FX999999		
	13.6	Default	FX999999		
	13.7	Default	FX999999		
	13.8	Default	FX999999		
	13.9	Default	FX999999		
	13.10	Default	FX999999		
	Vote 14	Default	FX999999		
	14.1	Default	FX999999	14.1 - [Name of sub-vote]	
	14.2	Default	FX999999		
	14.3	Default	FX999999		
	14.4	Default	FX999999		
	14.5	Default	FX999999		
	14.6	Default	FX999999		
	14.7	Default	FX999999		
	14.8	Default	FX999999		
	14.9	Default	FX999999		
	14.10	Default	FX999999		
	Vote 15	Default	FX999999		
	15.1	Default	FX999999	15.1 - [Name of sub-vote]	
	15.2	Default	FX999999		
	15.3	Default	FX999999		
	15.4	Default	FX999999		
	15.5	Default	FX999999		
	15.6	Default	FX999999		
	15.7	Default	FX999999		
	15.8	Default	FX999999		
	15.9	Default	FX999999		
	15.10	Default	FX999999		

FS191 Setsoto - Contact Information

A. GENERAL INFORMATION

Municipality	**FS191 Setsoto**	Set name on 'Instructions' sheet
Grade	3	*1 Grade in terms of the Remuneration of Public Office Bearers Act.*
Province	**Free State**	
Web Address	**www.setsoto.info**	
e-mail Address	**manager@setsoto.co.za**	

B. CONTACT INFORMATION

Postal address:	
P.O. Box	116
City / Town	FICKSBURG
Postal Code	9730
Street address	
Building	Municipal Building
Street No. & Name	27 Voortrekker Street
City / Town	FICKSBURG
Postal Code	9730
General Contacts	
Telephone number	051 933 9345
Fax number	

C. POLITICAL LEADERSHIP

Speaker:		**Secretary/PA to the Speaker:**	
ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	
Mayor/Executive Mayor:		**Secretary/PA to the Mayor/Executive Mayor:**	
ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	
Deputy Mayor/Executive Mayor:		**Secretary/PA to the Deputy Mayor/Executive Mayor:**	
ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	

D. MANAGEMENT LEADERSHIP

Municipal Manager:		**Secretary/PA to the Municipal Manager:**	
ID Number		ID Number	
Title		Title	
Name		Name	
Telephone number		Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address		E-mail address	
Chief Financial Officer		**Secretary/PA to the Chief Financial Officer**	
ID Number		ID Number	
Title		Title	
Name	M Masisi (Me)	Name	
Telephone number	051 933 9345	Telephone number	
Cell number		Cell number	
Fax number		Fax number	
E-mail address	finance @setsoto.co.za	E-mail address	

Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
Title	Title
Name	Name
Telephone number	Telephone number
Cell number	Cell number
Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
Title	Title
Name	Name
Telephone number	Telephone number
Cell number	Cell number
Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
Title	Title
Name	Name
Telephone number	Telephone number
Cell number	Cell number
Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
Title	Title
Name	Name
Telephone number	Telephone number
Cell number	Cell number
Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
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Telephone number	Telephone number
Cell number	Cell number
Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
Title	Title
Name	Name
Telephone number	Telephone number
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Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
Title	Title
Name	Name
Telephone number	Telephone number
Cell number	Cell number
Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	**Official responsible for submitting financial information**
ID Number	ID Number
Title	Title
Name	Name
Telephone number	Telephone number
Cell number	Cell number
Fax number	Fax number
E-mail address	E-mail address
Official responsible for submitting financial information	
ID Number	
Title	
Name	
Telephone number	
Cell number	
Fax number	
E-mail address	

FS191 Setsoto - Table C1 Monthly Budget Statement Summary - Mid-Year Assessment

Description	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Financial Performance									
Property rates	52 961	50 000	–	5 325	31 168	25 000	6 168	25%	59 166
Service charges	167 135	185 729	–	16 602	104 490	92 865	11 625	13%	208 979
Investment revenue	2 396	6 514	–	412	1 938	3 257	(1 318)	-40%	3 877
Transfers and subsidies	162 806	177 144	–	57 976	133 208	88 572	44 636	50%	266 416
Other own revenue	47 363	30 697	–	2 915	18 070	15 348	2 722	18%	36 141
Total Revenue (excluding capital transfers and contributions)	**432 661**	**450 084**	**–**	**83 230**	**288 874**	**225 042**	**63 832**	**28%**	**574 579**
Employee costs	175 808	207 481	–	16 403	91 056	103 741	(12 685)	-12%	182 111
Remuneration of Councillors	12 748	11 000	–	1 072	6 474	5 500	974	18%	12 948
Depreciation & asset impairment	176 926	239 167	–	–	–	119 584	(119 584)	-100%	–
Finance charges	5 961	2 600	–	642	3 784	1 300	2 484	191%	7 567
Materials and bulk purchases	53 990	105 276	–	6 090	30 876	52 638	(21 762)	-41%	61 752
Transfers and subsidies	2 111	650	–	2 582	12 186	325	11 861	3650%	24 372
Other expenditure	140 266	91 932	–	4 492	33 735	45 966	(12 231)	-27%	67 471
Total Expenditure	**567 810**	**658 107**	**–**	**31 282**	**178 111**	**329 054**	**(150 943)**	**-46%**	**356 221**
Surplus/(Deficit)	**(135 149)**	**(208 024)**	**–**	**51 948**	**110 763**	**(104 012)**	**214 775**	**-206%**	**218 357**
Transfers and subsidies - capital (monetary allocations)	83 997	101 466	–	–	65 596	50 733	14 863	29%	131 192
Contributions & Contributed assets	4 092	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions	**(47 060)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**	**229 638**	**-431%**	**349 549**
Share of surplus/ (deficit) of associate	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the year	**(47 060)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**	**229 638**	**-431%**	**349 549**
Capital expenditure & funds sources									
Capital expenditure	**21 008**	**129 720**	**–**	**17 309**	**56 458**	**64 860**	**(8 402)**	**-13%**	**112 915**
Capital transfers recognised	–	–	–	–	–	–	–		–
Public contributions & donations	–	–	–	–	–	–	–		–
Borrowing	–	–	–	–	–	–	–		–
Internally generated funds	–	–	–	–	–	–	–		–
Total sources of capital funds	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Financial position									
Total current assets	244 759	335 487	–		505 351				335 487
Total non current assets	3 130 072	3 134 760	–		3 131 536				3 134 760
Total current liabilities	139 087	117 445	–		62 272				117 445
Total non current liabilities	91 629	75 550	–		91 629				75 550
Community wealth/Equity	**3 144 115**	**3 277 251**	**–**		**3 482 987**				**3 277 251**
Cash flows									
Net cash from (used) operating	77 977	141 809	–	25 448	73 426	70 905	(2 522)	-4%	34 955
Net cash from (used) investing	(98 743)	(129 720)	–	(18 786)	(20 391)	(64 860)	(44 469)	69%	(40 782)
Net cash from (used) financing	19 062	(3 000)	–	(1 333)	(1 444)	(1 500)	(56)	4%	(2 887)
Cash/cash equivalents at the month/year end	**377**	**9 089**	**–**	**–**	**51 969**	**4 544**	**(47 425)**	**-1044%**	**(8 337)**
Debtors & creditors analysis	**0-30 Days**	**31-60 Days**	**61-90 Days**	**91-120 Days**	**121-150 Dys**	**151-180 Dys**	**181 Dys-1 Yr**	**Over 1Yr**	**Total**
Debtors Age Analysis									
Total By Income Source	39 859	14 574	15 444	15 390	14 913	6 557	59 187	268 396	434 321
Creditors Age Analysis									
Total Creditors	8 063	7 553	6 083	988	2 054	–	–	–	24 741

FS191 Setsoto - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Revenue - Functional										
Governance and administration		**86 572**	**137 412**	**–**	**22 896**	**79 093**	**68 706**	10 387	15%	**158 187**
Executive and council		17 418	49 136	–	14 843	31 286	24 568	6 717	27%	62 571
Finance and administration		69 155	88 276	–	8 053	47 808	44 138	3 670	8%	95 616
Internal audit		–	–	–	–	–	–	–		–
Community and public safety		**6 705**	**1 153**	**–**	**1 552**	**2 055**	**576**	1 479	257%	**4 110**
Community and social services		579	500	–	69	523	250	273	109%	1 046
Sport and recreation		37	48	–	3	18	24	(6)	-26%	35
Public safety		5 382	–	–	2	11	–	11	#DIV/0!	22
Housing		707	605	–	1 478	1 504	303	1 201	397%	3 007
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**18 585**	**41 116**	**–**	**9 186**	**61 618**	**20 558**	41 060	200%	**123 236**
Planning and development		39	11 535	–	5	39 813	5 768	34 046	590%	79 626
Road transport		18 546	29 581	–	9 181	21 805	14 791	7 014	47%	43 610
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**394 211**	**371 869**	**–**	**48 495**	**211 704**	**185 934**	25 770	14%	**423 408**
Energy sources		91 259	96 954	–	12 454	53 269	48 477	4 792	10%	106 538
Water management		222 349	170 199	–	13 503	84 176	85 100	(924)	-1%	168 352
Waste water management		34 819	54 153	–	12 336	38 777	27 076	11 701	43%	77 554
Waste management		45 784	50 563	–	10 202	35 482	25 281	10 200	40%	70 963
Other	4	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Revenue - Functional	2	**506 074**	**551 550**	**–**	**82 129**	**354 470**	**275 775**	**78 696**	**29%**	**708 941**
Expenditure - Functional										
Governance and administration		**135 780**	**130 146**	**–**	**11 100**	**55 958**	**65 073**	(9 115)	-14%	**111 917**
Executive and council		52 033	33 926	–	3 804	20 465	16 963	3 502	21%	40 929
Finance and administration		80 037	85 950	–	6 852	33 413	42 975	(9 562)	-22%	66 826
Internal audit		3 710	10 270	–	444	2 081	5 135	(3 054)	-59%	4 161
Community and public safety		**40 843**	**37 297**	**–**	**2 236**	**11 003**	**18 649**	(7 645)	-41%	**22 007**
Community and social services		4 941	7 253	–	424	2 281	3 626	(1 345)	-37%	4 562
Sport and recreation		17 501	11 023	–	673	3 901	5 511	(1 610)	-29%	7 802
Public safety		9 686	984	–	65	391	492	(100)	-20%	783
Housing		8 026	17 452	–	1 074	4 430	8 726	(4 296)	-49%	8 860
Health		689	586	–	–	–	293	(293)	-100%	–
Economic and environmental services		**214 890**	**286 716**	**–**	**3 903**	**25 097**	**143 358**	(118 261)	-82%	**50 195**
Planning and development		6 687	10 051	–	548	3 456	5 026	(1 570)	-31%	6 912
Road transport		208 203	276 665	–	3 355	21 642	138 333	(116 691)	-84%	43 283
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**237 360**	**203 948**	**–**	**12 943**	**86 051**	**101 974**	(15 922)	-16%	**172 103**
Energy sources		81 195	92 393	–	6 566	45 499	46 197	(698)	-2%	90 998
Water management		73 342	54 605	–	2 353	13 497	27 303	(13 805)	-51%	26 995
Waste water management		38 543	19 700	–	1 826	12 072	9 850	2 222	23%	24 143
Waste management		44 280	37 249	–	2 199	14 983	18 625	(3 641)	-20%	29 967
Other		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Total Expenditure - Functional	3	**628 872**	**658 107**	**–**	**30 182**	**178 111**	**329 054**	**(150 943)**	**-46%**	**356 221**
Surplus/ (Deficit) for the year		**(122 799)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**	**229 638**	**-431%**	**352 719**

FS191 Setsoto - Table C2 Monthly Budget Statement - Financial Performance (functional classification) - Mid-Ye

Description	Ref	2017/18			
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual
R thousands	1				
Revenue - Functional					
Municipal governance and administration		**86 572**	**137 412**	**–**	**22 896**
Executive and council		17 418	49 136	–	14 843
Mayor and Council		1 493	44 853	–	13 416
Municipal Manager, Town Secretary and Chief Executive		15 924	4 283	–	1 428
Finance and administration		69 155	88 276	–	8 053
Administrative and Corporate Support		94	107	–	3
Asset Management		–	–	–	–
Budget and Treasury Office		(8 260)	4 005	–	317
Finance		75 126	78 226	–	7 635
Fleet Management		–	–	–	–
Human Resources		1 221	1 500	–	–
Information Technology		–	–	–	–
Legal Services		–	–	–	–
Marketing, Customer Relations, Publicity and Media Co-ordination		–	–	–	–
Property Services		974	4 439	–	99
Risk Management		–	–	–	–
Security Services		–	–	–	–
Supply Chain Management		–	–	–	–
Valuation Service		–	–	–	–
Internal audit		–	–	–	–
Governance Function		–	–	–	–
Community and public safety		**6 705**	**1 153**	**–**	**1 552**
Community and social services		**579**	**500**	**–**	**69**
Aged Care		–	–	–	–
Agricultural		–	–	–	–
Animal Care and Diseases		–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums		467	500	–	63
Child Care Facilities		–	–	–	–
Community Halls and Facilities		111	–	–	6
Consumer Protection		–	–	–	–
Cultural Matters		–	–	–	–
Disaster Management		–	–	–	–
Education		–	–	–	–
Indigenous and Customary Law		–	–	–	–
Industrial Promotion		–	–	–	–
Language Policy		–	–	–	–
Libraries and Archives		2	–	–	–
Literacy Programmes		–	–	–	–
Media Services		–	–	–	–
Museums and Art Galleries		–	–	–	–
Population Development		–	–	–	–
Provincial Cultural Matters		–	–	–	–
Theatres		–	–	–	–
Zoo's		–	–	–	–
Sport and recreation		**37**	**48**	**–**	**3**

Beaches and Jetties	–	–	–	–
Casinos, Racing, Gambling, Wagering	–	–	–	–
Community Parks (including Nurseries)	–	–	–	–
Recreational Facilities	1	3	–	–
Sports Grounds and Stadiums	36	45	–	3
Public safety	**5 382**	**–**	**–**	**2**
Civil Defence	–	–	–	–
Cleansing	–	–	–	–
Control of Public Nuisances	–	–	–	–
Fencing and Fences	–	–	–	–
Fire Fighting and Protection	5 382	–	–	2
Licensing and Control of Animals	–	–	–	–
Housing	**707**	**605**	**–**	**1 478**
Housing	707	605	–	1 478
Informal Settlements	–	–	–	–
Health	**–**	**–**	**–**	**–**
Ambulance	–	–	–	–
Health Services	–	–	–	–
Laboratory Services	–	–	–	–
Food Control	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations	–	–	–	–
Vector Control	–	–	–	–
Chemical Safety	–	–	–	–
Economic and environmental services	**18 585**	**41 116**	**–**	**9 186**
Planning and development	**39**	**11 535**	**–**	**5**
Billboards	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)	39	35	–	5
Central City Improvement District	–	–	–	–
Development Facilitation	–	–	–	–
Economic Development/Planning	–	–	–	–
Regional Planning and Development	–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer	–	–	–	–
Project Management Unit	–	11 500	–	–
Provincial Planning	–	–	–	–
Support to Local Municipalities	–	–	–	–
Road transport	**18 546**	**29 581**	**–**	**9 181**
Police Forces, Traffic and Street Parking Control	–	647	–	42
Pounds	–	–	–	–
Public Transport	–	–	–	–
Road and Traffic Regulation	–	–	–	–
Roads	18 546	28 934	–	9 139
Taxi Ranks	–	–	–	–
Environmental protection	**–**	**–**	**–**	**–**
Biodiversity and Landscape	–	–	–	–
Coastal Protection	–	–	–	–
Indigenous Forests	–	–	–	–
Nature Conservation	–	–	–	–
Pollution Control	–	–	–	–
Soil Conservation	–	–	–	–

Trading services		**394 211**	**371 869**	**–**	**48 495**
Energy sources		**91 259**	**96 954**	**–**	**12 454**
Electricity		91 259	96 954	–	12 454
Street Lighting and Signal Systems		–	–	–	–
Nonelectric Energy		–	–	–	–
Water management		**222 349**	**170 199**	**–**	**13 503**
Water Treatment		–	–	–	–
Water Distribution		222 349	170 199	–	13 503
Water Storage		–	–	–	–
Waste water management		**34 819**	**54 153**	**–**	**12 336**
Public Toilets		–	–	–	–
Sewerage		34 819	54 153	–	12 336
Storm Water Management		–	–	–	–
Waste Water Treatment		–	–	–	–
Waste management		**45 784**	**50 563**	**–**	**10 202**
Recycling		–	–	–	–
Solid Waste Disposal (Landfill Sites)		–	–	–	–
Solid Waste Removal		45 784	50 563	–	10 202
Street Cleaning		–	–	–	–
Other		**–**	**–**	**–**	**–**
Abattoirs		–	–	–	–
Air Transport		–	–	–	–
Forestry		–	–	–	–
Licensing and Regulation		–	–	–	–
Markets		–	–	–	–
Tourism		–	–	–	–
Total Revenue - Functional	2	**506 074**	**551 550**	**–**	**82 129**
Expenditure - Functional					
Municipal governance and administration		**135 780**	**130 146**	**–**	**11 100**
Executive and council		52 033	33 926	–	3 804
Mayor and Council		45 489	21 660	–	3 197
Municipal Manager, Town Secretary and Chief Executive		6 543	12 267	–	607
Finance and administration		80 037	85 950	–	6 852
Administrative and Corporate Support		13 865	14 063	–	992
Asset Management		2 877	2 360	–	109
Budget and Treasury Office		9 156	8 749	–	736
Finance		23 557	24 475	–	3 600
Fleet Management		808	6 036	–	200
Human Resources		11 088	12 832	–	840
Information Technology		1 968	2 463	–	92
Legal Services		2 717	5 683	–	75
Marketing, Customer Relations, Publicity and Media Co-ordination		–	–	–	–
Property Services		11 840	5 394	–	8
Risk Management		20	–	–	–
Security Services		–	–	–	–
Supply Chain Management		2 141	3 894	–	200
Valuation Service		–	–	–	–
Internal audit		3 710	10 270	–	444
Governance Function		3 710	10 270	–	444
Community and public safety		**40 843**	**37 297**	**–**	**2 236**
Community and social services		**4 941**	**7 253**	**–**	**424**

Aged Care	–	–	–	–
Agricultural	–	–	–	–
Animal Care and Diseases	–	–	–	–
Cemeteries, Funeral Parlours and Crematoriums	4 084	6 158	–	327
Child Care Facilities	–	–	–	–
Community Halls and Facilities	191	137	–	11
Consumer Protection	–	–	–	–
Cultural Matters	–	–	–	–
Disaster Management	664	957	–	86
Education	–	–	–	–
Indigenous and Customary Law	–	–	–	–
Industrial Promotion	–	–	–	–
Language Policy	–	–	–	–
Libraries and Archives	2	–	–	–
Literacy Programmes	–	–	–	–
Media Services	–	–	–	–
Museums and Art Galleries	–	–	–	–
Population Development	–	–	–	–
Provincial Cultural Matters	–	–	–	–
Theatres	–	–	–	–
Zoo's	–	–	–	–
Sport and recreation	**17 501**	**11 023**	**–**	**673**
Beaches and Jetties	–	–	–	–
Casinos, Racing, Gambling, Wagering	–	–	–	–
Community Parks (including Nurseries)	–	–	–	–
Recreational Facilities	6 403	–	–	–
Sports Grounds and Stadiums	11 098	11 023	–	673
Public safety	**9 686**	**984**	**–**	**65**
Civil Defence	–	–	–	–
Cleansing	–	–	–	–
Control of Public Nuisances	–	–	–	–
Fencing and Fences	–	–	–	–
Fire Fighting and Protection	9 686	984	–	65
Licensing and Control of Animals	–	–	–	–
Housing	**8 026**	**17 452**	**–**	**1 074**
Housing	8 026	17 452	–	1 074
Informal Settlements	–	–	–	–
Health	**689**	**586**	**–**	**–**
Ambulance	–	–	–	–
Health Services	689	586	–	–
Laboratory Services	–	–	–	–
Food Control	–	–	–	–
Health Surveillance and Prevention of Communicable Diseases including immunizations	–	–	–	–
Vector Control	–	–	–	–
Chemical Safety	–	–	–	–
Economic and environmental services	**214 890**	**286 716**	**–**	**3 903**
Planning and development	**6 687**	**10 051**	**–**	**548**
Billboards	–	–	–	–
Corporate Wide Strategic Planning (IDPs, LEDs)	3 778	6 484	–	248
Central City Improvement District	–	–	–	–
Development Facilitation	–	–	–	–

Economic Development/Planning		–	–	–	–
Regional Planning and Development		–	–	–	–
Town Planning, Building Regulations and Enforcement, and City Engineer		–	–	–	–
Project Management Unit		2 909	3 567	–	300
Provincial Planning		–	–	–	–
Support to Local Municipalities		–	–	–	–
Road transport		**208 203**	**276 665**	**–**	**3 355**
Police Forces, Traffic and Street Parking Control		8	18 726	–	1 493
Pounds		–	–	–	–
Public Transport		–	–	–	–
Road and Traffic Regulation		208 195	257 939	–	1 862
Roads		–	–	–	–
Taxi Ranks		–	–	–	–
Environmental protection		**–**	**–**	**–**	**–**
Biodiversity and Landscape		–	–	–	–
Coastal Protection		–	–	–	–
Indigenous Forests		–	–	–	–
Nature Conservation		–	–	–	–
Pollution Control		–	–	–	–
Soil Conservation		–	–	–	–
Trading services		**237 360**	**203 948**	**–**	**12 943**
Energy sources		**81 195**	**92 393**	**–**	**6 566**
Electricity		81 195	92 393	–	6 566
Street Lighting and Signal Systems		–	–	–	–
Nonelectric Energy		–	–	–	–
Water management		**73 342**	**54 605**	**–**	**2 353**
Water Treatment		4	–	–	–
Water Distribution		73 338	54 605	–	2 353
Water Storage		–	–	–	–
Waste water management		**38 543**	**19 700**	**–**	**1 826**
Public Toilets		–	–	–	–
Sewerage		38 543	19 700	–	1 826
Storm Water Management		–	–	–	–
Waste Water Treatment		–	–	–	–
Waste management		**44 280**	**37 249**	**–**	**2 199**
Recycling		–	–	–	–
Solid Waste Disposal (Landfill Sites)		–	1 404	–	–
Solid Waste Removal		44 280	35 845	–	2 199
Street Cleaning		–	–	–	–
Other		**–**	**–**	**–**	**–**
Abattoirs		–	–	–	–
Air Transport		–	–	–	–
Forestry		–	–	–	–
Licensing and Regulation		–	–	–	–
Markets		–	–	–	–
Tourism		–	–	–	–
Total Expenditure - Functional	3	**628 872**	**658 107**	**–**	**30 182**
Surplus/ (Deficit) for the year		**(122 799)**	**(106 558)**	**–**	**51 948**

References

1. Government Finance Statistics Functions and Sub-functions are standardised to assist national and international accounts and comparison

2. Total Revenue by Functional Classification must reconcile to total operating revenue shown in Financial Performance (revenue and expenditure)

3. Total Expenditure by Functional Classification must reconcile to total operating expenditure shown in Financial Performance (revenue and expendi
4. All amounts must be classified under a Functional classification. The function 'Other' is only for Abbatoirs, Air Transport, Licensing and Regulation, be placed under 'Other'. Assign associate share to relevant classification

	check oprev balance	*-14 676 153*	*-*	*-*	*-1 100 519*
	check opexp balance	*61 061 985*	*-*	*-*	*-1 100 519*

ar Assessment

Budget Year 2018/19				
YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
79 093	**68 706**	10 387	15%	**158 187**
31 286	24 568	6 717	0	62 571
28 073	22 427	5 647	0	56 147
3 212	2 141	1 071	0	6 424
47 808	44 138	3 670	0	95 616
77	53	23	0	153
–	–	–		–
3 045	2 002	1 043	0	6 090
43 833	39 113	4 720	0	87 666
–	–	–		–
180	750	(570)	(0)	360
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–	–	–		–
–	–	–		–
673	2 219	(1 546)	(0)	1 346
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2 055	**576**	**1 479**	**0**	**4 110**
523	**250**	**273**	**0**	**1 046**
–	–	–		–
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466	250	216	0	931
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57	–	57	#DIV/0!	114
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18	**24**	**(6)**	**(0)**	**35**

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–	1	(1)	(0)	–
18	23	(5)	(0)	35
11	**–**	**11**	**#DIV/0!**	**22**
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–	–	–		–
–	–	–		–
11	–	11	#DIV/0!	22
–	–	–		–
1 504	**303**	**1 201**	**0**	**3 007**
1 504	303	1 201	0	3 007
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61 618	**20 558**	**41 060**	**0**	**123 236**
39 813	**5 768**	**34 046**	**0**	**79 626**
–	–	–		–
13	18	(4)	(0)	26
–	–	–		–
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–	–	–		–
–	–	–		–
39 800	5 750	34 050	0	79 600
–	–	–		–
–	–	–		–
21 805	**14 791**	**7 014**	**0**	**43 610**
180	323	(144)	(0)	360
–	–	–		–
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–	–	–		–
21 625	14 467	7 158	0	43 250
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211 704	**185 934**	**25 770**	**0**	**423 408**
53 269	**48 477**	**4 792**	**0**	**106 538**
53 269	48 477	4 792	0	106 538
–	–	–		–
–	–	–		–
84 176	**85 100**	**(924)**	**(0)**	**168 352**
–	–	–		–
84 176	85 100	(924)	(0)	168 352
–	–	–		–
38 777	**27 076**	**11 701**	**0**	**77 554**
–	–	–		–
38 777	27 076	11 701	0	77 554
–	–	–		–
–	–	–		–
35 482	**25 281**	**10 200**	**0**	**70 963**
–	–	–		–
–	–	–		–
35 482	25 281	10 200	0	70 963
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–	**–**	**–**		**–**
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–	–	–		–
–	–	–		–
–	–	–		–
354 470	**275 775**	**78 696**	**0**	**708 941**
55 958	**65 073**	**(9 115)**	**(0)**	**111 917**
20 465	16 963	3 502	0	40 929
16 831	10 830	6 001	0	33 662
3 634	6 133	(2 500)	(0)	7 267
33 413	42 975	(9 562)	(0)	66 826
5 811	7 032	(1 220)	(0)	11 622
961	1 180	(219)	(0)	1 922
4 423	4 374	48	0	8 846
13 196	12 237	959	0	26 392
1 203	3 018	(1 815)	(0)	2 406
4 792	6 416	(1 624)	(0)	9 584
641	1 232	(590)	(0)	1 283
577	2 841	(2 265)	(0)	1 153
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619	2 697	(2 078)	(0)	1 238
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1 190	1 947	(758)	(0)	2 379
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2 081	5 135	(3 054)	(0)	4 161
2 081	5 135	(3 054)	(0)	4 161
11 003	**18 649**	**(7 645)**	**(0)**	**22 007**
2 281	**3 626**	**(1 345)**	**(0)**	**4 562**

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1 850	3 079	(1 230)	(0)	3 699
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76	69	7	0	152
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356	478	(123)	(0)	711
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3 901	**5 511**	**(1 610)**	**(0)**	**7 802**
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3 901	5 511	(1 610)	(0)	7 802
391	**492**	**(100)**	**(0)**	**783**
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391	492	(100)	(0)	783
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4 430	**8 726**	**(4 296)**	**(0)**	**8 860**
4 430	8 726	(4 296)	(0)	8 860
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–	**293**	**(293)**	**(0)**	**–**
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–	293	(293)	(0)	–
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25 097	**143 358**	**(118 261)**	**(0)**	**50 195**
3 456	**5 026**	**(1 570)**	**(0)**	**6 912**
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1 792	3 242	(1 450)	(0)	3 583
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1 664	1 784	(119)	(0)	3 329
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21 642	**138 333**	**(116 691)**	**(0)**	**43 283**
10 249	9 363	886	0	20 497
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11 393	128 969	(117 576)	(0)	22 786
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86 051	**101 974**	**(15 922)**	**(0)**	**172 103**
45 499	**46 197**	**(698)**	**(0)**	**90 998**
45 499	46 197	(698)	(0)	90 998
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13 497	**27 303**	**(13 805)**	**(0)**	**26 995**
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13 497	27 303	(13 805)	(0)	26 995
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12 072	**9 850**	**2 222**	**0**	**24 143**
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12 072	9 850	2 222	0	24 143
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14 983	**18 625**	**(3 641)**	**(0)**	**29 967**
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–	702	(702)	(0)	–
14 983	17 923	(2 939)	(0)	29 967
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178 111	**329 054**	**(150 943)**	**(0)**	**356 221**
176 360	**(53 279)**	**229 638**	**(0)**	**352 719**

ture)

Markets and Tourism - and if used must be supported by footnotes. Nothing else may

-1	*-*	*78 695 525*	*3 169 773*
-0	*-*	*-0*	*-1*

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - Mid-Year Assessment

Vote Description	Ref	2017/18	Budget Year 2018/19							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue by Vote	1									
Vote 1 - Executive and council		1 493	44 853	–	13 416	28 073	22 427	5 647	25.2%	56 147
Vote 2 - Municipal Manager		–	4 283	–	1 428	3 212	2 141	1 071	50.0%	6 424
Vote 3 - Treasury		27 665	82 231	–	7 952	46 878	41 115	5 763	14.0%	93 756
Vote 4 - Corporate Services		1 221	1 607	–	3	257	803	(546)	-68.0%	514
Vote 5 - Development Planning and Social Security		–	5 021	–	176	1 227	2 511	(1 284)	-51.1%	2 454
Vote 6 - Development Planning and Social Security		45 784	51 210	–	10 246	35 672	25 605	10 067	39.3%	71 344
Vote 7 - Engineering Services		18 546	350 240	–	47 432	197 847	175 120	22 727	13.0%	395 695
Vote 8 - Engineering Services		–	12 105	–	1 478	41 304	6 053	35 251	582.4%	82 607
Vote 9 - Default		–	–	–	–	–	–	–		–
Vote 10 - Default		–	–	–	–	–	–	–		–
Vote 11 - Default		–	–	–	–	–	–	–		–
Vote 12 - Default		–	–	–	–	–	–	–		–
Vote 13 - Default		–	–	–	–	–	–	–		–
Vote 14 - Default		–	–	–	–	–	–	–		–
Vote 15 - Default		–	–	–	–	–	–	–		–
Total Revenue by Vote	2	**94 711**	**551 550**	**–**	**82 129**	**354 470**	**275 775**	**78 696**	**28.5%**	**708 941**
Expenditure by Vote	1									
Vote 1 - Executive and council		44 739	21 660	–	3 197	16 831	10 830	6 001	55.4%	33 662
Vote 2 - Municipal Manager		–	28 373	–	1 258	7 467	14 187	(6 719)	-47.4%	14 934
Vote 3 - Treasury		21 141	39 478	–	4 645	19 769	19 739	30	0.2%	39 539
Vote 4 - Corporate Services		11 369	32 578	–	1 907	11 180	16 289	(5 109)	-31.4%	22 359
Vote 5 - Development Planning and Social Security		2 533	26 780	–	1 237	7 482	13 390	(5 909)	-44.1%	14 963
Vote 6 - Development Planning and Social Security		43 685	57 545	–	3 758	25 624	28 773	(3 149)	-10.9%	51 247
Vote 7 - Engineering Services		11 840	424 637	–	12 606	82 461	212 319	(129 858)	-61.2%	164 922
Vote 8 - Engineering Services		–	27 056	–	1 573	7 297	13 528	(6 231)	-46.1%	14 595
Vote 9 - Default		–	–	–	–	–	–	–		–
Vote 10 - Default		–	–	–	–	–	–	–		–
Vote 11 - Default		–	–	–	–	–	–	–		–
Vote 12 - Default		–	–	–	–	–	–	–		–
Vote 13 - Default		–	–	–	–	–	–	–		–
Vote 14 - Default		–	–	–	–	–	–	–		–
Vote 15 - Default		–	–	–	–	–	–	–		–
Total Expenditure by Vote	2	**135 307**	**658 107**	**–**	**30 182**	**178 111**	**329 054**	**(150 943)**	**-45.9%**	**356 221**
Surplus/ (Deficit) for the year	2	**(40 596)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**	**229 638**	**-431.0%**	**352 719**

FS191 Setsoto - Table C3 Monthly Budget Statement - Financial Performance (revenue and expenditure by municipal vote) - A

Vote Description	Ref	2017/18	Budget Year 2018/19				
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Revenue by Vote	1						
Vote 1 - Executive and council		**1 493**	**44 853**	**–**	**13 416**	**28 073**	**22 427**
1.1 - Mayor and Council: Council General (Dept 1)		–	44 853	–	13 416	28 073	22 427
1.2 - Mayor and Council: Mayor Support Office (Dept 3)		1 493	–	–	–	–	–
1.3 - Mayor and Council: Speaker Support Office (Dept 5)		–	–	–	–	–	–
		–	–	–	–	–	–
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		–	–	–	–	–	–
Vote 2 - Municipal Manager		**–**	**4 283**	**–**	**1 428**	**3 212**	**2 141**
2.1 - Municipal Manager Town Secretary and Chief Executive		–	4 283	–	1 428	3 212	2 141
2.2 - Governance Function: Internal Audit (Dept 105)		–	–	–	–	–	–
2.3 - Corporate Wide Strategic Planning (IDPs LEDs): IDP/PM		–	–	–	–	–	–
2.4 - Information Technology: Information Technology (Dept		–	–	–	–	–	–
2.5 - Core Function: Risk Management: Risk Management (		–	–	–	–	–	–
2.6 - Municipal Manager Town Secretary and Chief Executive		–	–	–	–	–	–
2.7 - Information Technology		–	–	–	–	–	–
		–	–	–	–	–	–
		–	–	–	–	–	–
		–	–	–	–	–	–
Vote 3 - Treasury		**27 665**	**82 231**	**–**	**7 952**	**46 878**	**41 115**
3.1 - Finance: Default		–	–	–	–	–	–
3.2 - Budget and Treasury Office: Budget and Reporting (Dep		–	2 195	–	317	1 345	1 098
3.3 - Budget and Treasury Office: Budget and Reporting (Dep		2 013	1 810	–	–	1 700	905
3.4 - Finance: Assessment Rates (Dept 230)		–	50 000	–	4 853	28 117	25 000
3.5 - Finance: Expenditure Management (Dept 211)		–	–	–	–	–	–
3.6 - Finance: Revenue Management (Dept 221)		25 652	28 226	–	2 782	15 716	14 113
3.7 - Asset Management: Asset Management (Dept 223)		–	–	–	–	–	–
3.8 - Supply Chain Management: Supply Chain Management		–	–	–	–	–	–
3.9 - Asset Management		–	–	–	–	–	–
		–	–	–	–	–	–
Vote 4 - Corporate Services		**1 221**	**1 607**	**–**	**3**	**257**	**803**
4.1 - Administrative and Corporate Support: Administration ar		–	–	–	–	–	–
4.2 - Administrative and Corporate Support: Corporate Servic		–	107	–	3	77	53
4.3 - Human Resources: Human Resource Development (De		–	–	–	–	–	–
4.4 - Human Resources: Human Resources Administration (		1 221	1 500	–	–	180	750
4.5 - Human Resources: Payroll Section (Dept 304)		–	–	–	–	–	–
4.6 - Legal Services: Legal Service and Communiciation (Dep		–	–	–	–	–	–
4.7 - Administrative and Corporate Support		–	–	–	–	–	–
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Vote 5 - Development Planning and Social Security		**–**	**5 021**	**–**	**176**	**1 227**	**2 511**
5.1 - Cemeteries Funeral Parlours and Crematoriums: Cemet		–	500	–	63	466	250
5.2 - Community Halls and Facilities: Halls (Dept 407)		–	–	–	6	57	–
5.3 - Disaster Management: Disaster Management (Dept 436		–	–	–	–	–	–
5.4 - Corporate Wide Strategic Planning (IDPs LEDs): LED ar		–	35	–	5	13	18
5.5 - Entity FX013001003001000000000000000000000000		–	–	–	–	–	–
5.6 - Entity FX013001003002000000000000000000000000		–	3	–	–	–	1

5.7 - Sports Grounds and Stadiums: Sport Grounds and Stad	–	45	–	3	18	23
5.8 - Property Services: Properties (Dept 411)	–	4 439	–	99	673	2 219
5.9 - Libraries and Archives: Library (Dept 403)	–	–	–	–	–	–
5.10 - Property Services	–	–	–	–	–	–
Vote 6 - Development Planning and Social Security	**45 784**	**51 210**	**–**	**10 246**	**35 672**	**25 605**
6.1 - Fire Fighting and Protection: Fire Fighting (Dept 435)	–	–	–	2	11	–
6.2 - Police Forces Traffic and Street Parking Control: Securit	–	–	–	–	–	–
6.3 - Police Forces Traffic and Street Parking Control: Traffic	–	647	–	42	180	323
6.4 - Solid Waste Disposal (Landfill Sites): Waste Manageme	–	–	–	–	–	–
6.5 - Solid Waste Removal: Comm Serv Admin (Dept 401)	–	–	–	–	–	–
6.6 - Solid Waste Removal: Waste Management (Dept 480)	45 784	50 563	–	10 202	35 482	25 281
6.7 - Core Function: Health Services: Health Environmental S	–	–	–	–	–	–
6.8 - Health Services: Health Environmental Services	–	–	–	–	–	–
6.9 - Health Services: Health Public Services (Dept 4)	–	–	–	–	–	–
6.10 - Health Services: Abbatoir (dept 445)	–	–	–	–	–	–
Vote 7 - Engineering Services	**18 546**	**350 240**	**–**	**47 432**	**197 847**	**175 120**
7.1 - Electricity	–	–	–	–	–	–
7.2 - Electricity: Electricity Distribution (Dept 530)	–	96 954	–	12 454	53 269	48 477
7.3 - Roads: Roads and Storm Water (Dept 521)	–	28 934	–	9 139	21 625	14 467
7.4 - Roads: Tech Serv Admin (Dept 501)	18 546	–	–	–	–	–
7.5 - Sewerage: Sewerage Services (Dept 550)	–	54 153	–	12 336	38 777	27 076
7.6 - Water Distribution: Water Distribution (540)	–	170 199	–	13 503	84 176	85 100
7.7 - Water TreatWater Treatment (Dept 540)	–	–	–	–	–	–
7.8 - Water Distribution	–	–	–	–	–	–
	–	–	–	–	–	–
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Vote 8 - Engineering Services	**–**	**12 105**	**–**	**1 478**	**41 304**	**6 053**
8.1 - [Name of sub-vote]	–	–	–	–	–	–
8.2 - Housing: Housing Administration (Dept 311)	–	605	–	1 478	1 504	303
8.3 - Project Management Unit: Project Management Unit (De	–	11 500	–	–	39 800	5 750
8.4 - Fleet Management: Workshop (Dept 511)	–	–	–	–	–	–
8.5 - Administrative and Corporate Support: Community Serv	–	–	–	–	–	–
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Vote 9 - Default	**–**	**–**	**–**	**–**	**–**	**–**
9.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 10 - Default	**–**	**–**	**–**	**–**	**–**	**–**
10.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 11 - Default		–	–	–	–	–	–
11.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 12 - Default		–	–	–	–	–	–
12.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 13 - Default		–	–	–	–	–	–
13.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 14 - Default		–	–	–	–	–	–
14.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 15 - Default		–	–	–	–	–	–
15.1 - [Name of sub-vote]		–	–	–	–	–	–
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Total Revenue by Vote	2	**94 711**	**551 550**	**–**	**82 129**	**354 470**	**275 775**
Expenditure by Vote	1						
Vote 1 - Executive and council		**44 739**	**21 660**	**–**	**3 197**	**16 831**	**10 830**

1.1 - Mayor and Council: Council General (Dept 1)	–	16 231	–	3 120	15 845	8 116
1.2 - Mayor and Council: Mayor Support Office (Dept 3)	42 407	2 172	–	45	599	1 086
1.3 - Mayor and Council: Speaker Support Office (Dept 5)	2 332	3 257	–	32	388	1 628
	–	–	–	–	–	–
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Vote 2 - Municipal Manager	**–**	**28 373**	**–**	**1 258**	**7 467**	**14 187**
2.1 - Municipal Manager Town Secretary and Chief Executive	–	12 267	–	607	3 634	6 133
2.2 - Governance Function: Internal Audit (Dept 105)	–	10 270	–	444	2 081	5 135
2.3 - Corporate Wide Strategic Planning (IDPs LEDs): IDP/PM	–	3 373	–	115	1 111	1 687
2.4 - Information Technology: Information Technology (Dept	–	2 463	–	92	641	1 232
2.5 - Core Function: Risk Management: Risk Management (	–	–	–	–	0	–
2.6 - Municipal Manager Town Secretary and Chief Executive	–	–	–	–	–	–
2.7 - Information Technology	–	–	–	–	–	–
	–	–	–	–	–	–
	–	–	–	–	–	–
	–	–	–	–	–	–
Vote 3 - Treasury	**21 141**	**39 478**	**–**	**4 645**	**19 769**	**19 739**
3.1 - Finance: Default	–	–	–	–	–	–
3.2 - Budget and Treasury Office: Budget and Reporting (Dep	–	2 680	–	179	1 231	1 340
3.3 - Budget and Treasury Office: Budget and Reporting (Dep	2 199	6 068	–	557	3 192	3 034
3.4 - Finance: Assessment Rates (Dept 230)	–	–	–	87	1 203	–
3.5 - Finance: Expenditure Management (Dept 211)	5 681	7 897	–	793	4 962	3 949
3.6 - Finance: Revenue Management (Dept 221)	13 261	16 577	–	2 720	7 031	8 289
3.7 - Asset Management: Asset Management (Dept 223)	–	2 360	–	109	961	1 180
3.8 - Supply Chain Management: Supply Chain Management	–	3 894	–	200	1 190	1 947
3.9 - Asset Management	–	–	–	–	–	–
	–	–	–	–	–	–
Vote 4 - Corporate Services	**11 369**	**32 578**	**–**	**1 907**	**11 180**	**16 289**
4.1 - Administrative and Corporate Support: Administration ar	–	4 036	–	204	1 635	2 018
4.2 - Administrative and Corporate Support: Corporate Servic	–	10 027	–	789	4 176	5 013
4.3 - Human Resources: Human Resource Development (De	–	4 898	–	166	1 048	2 449
4.4 - Human Resources: Human Resources Administration (	6 337	4 929	–	513	2 879	2 464
4.5 - Human Resources: Payroll Section (Dept 304)	2 315	3 006	–	162	865	1 503
4.6 - Legal Services: Legal Service and Communiciation (Dep	2 717	5 683	–	75	577	2 841
4.7 - Administrative and Corporate Support	–	–	–	–	–	–
	–	–	–	–	–	–
	–	–	–	–	–	–
	–	–	–	–	–	–
Vote 5 - Development Planning and Social Security	**2 533**	**26 780**	**–**	**1 237**	**7 482**	**13 390**
5.1 - Cemeteries Funeral Parlours and Crematoriums: Cemet	–	6 158	–	327	1 850	3 079
5.2 - Community Halls and Facilities: Halls (Dept 407)	–	137	–	11	76	69
5.3 - Disaster Management: Disaster Management (Dept 436	–	957	–	86	356	478
5.4 - Corporate Wide Strategic Planning (IDPs LEDs): LED ar	2 533	3 111	–	133	680	1 555
5.5 - Entity FX013001003001000000000000000000000000	–	–	–	–	–	–
5.6 - Entity FX013001003002000000000000000000000000	–	–	–	–	–	–
5.7 - Sports Grounds and Stadiums: Sport Grounds and Stad	–	11 023	–	673	3 901	5 511
5.8 - Property Services: Properties (Dept 411)	–	5 394	–	8	619	2 697
5.9 - Libraries and Archives: Library (Dept 403)	–	–	–	–	–	–
5.10 - Property Services	–	–	–	–	–	–
Vote 6 - Development Planning and Social Security	**43 685**	**57 545**	**–**	**3 758**	**25 624**	**28 773**
6.1 - Fire Fighting and Protection: Fire Fighting (Dept 435)	–	984	–	65	391	492
6.2 - Police Forces Traffic and Street Parking Control: Securit	–	10 504	–	791	5 041	5 252
6.3 - Police Forces Traffic and Street Parking Control: Traffic	–	8 222	–	702	5 208	4 111
6.4 - Solid Waste Disposal (Landfill Sites): Waste Manageme	–	1 404	–	–	–	702

6.5 - Solid Waste Removal: Comm Serv Admin (Dept 401)	–	1 054	–	262	1 082	527
6.6 - Solid Waste Removal: Waste Management (Dept 480)	42 996	34 791	–	1 937	13 901	17 396
6.7 - Core Function: Health Services: Health Environmental S	–	–	–	–	–	–
6.8 - Health Services: Health Environmental Services	180	–	–	–	–	–
6.9 - Health Services: Health Public Services (Dept 4)	509	586	–	–	–	293
6.10 - Health Services: Abbatoir (dept 445)	–	–	–	–	–	–
Vote 7 - Engineering Services	**11 840**	**424 637**	**–**	**12 606**	**82 461**	**212 319**
7.1 - Electricity	–	–	–	–	–	–
7.2 - Electricity: Electricity Distribution (Dept 530)	–	92 393	–	6 566	45 499	46 197
7.3 - Roads: Roads and Storm Water (Dept 521)	–	29 224	–	1 332	8 025	14 612
7.4 - Roads: Tech Serv Admin (Dept 501)	11 840	228 714	–	529	3 368	114 357
7.5 - Sewerage: Sewerage Services (Dept 550)	–	19 700	–	1 826	12 072	9 850
7.6 - Water Distribution: Water Distribution (540)	–	54 605	–	2 353	13 497	27 303
7.7 - Water TreatWater Treatment (Dept 540)	–	–	–	–	–	–
7.8 - Water Distribution	–	–	–	–	–	–
	–	–	–	–	–	–
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Vote 8 - Engineering Services	**–**	**27 056**	**–**	**1 573**	**7 297**	**13 528**
8.1 - [Name of sub-vote]	–	1 395	–	–	–	698
8.2 - Housing: Housing Administration (Dept 311)	–	16 057	–	1 074	4 430	8 028
8.3 - Project Management Unit: Project Management Unit (De	–	3 567	–	300	1 664	1 784
8.4 - Fleet Management: Workshop (Dept 511)	–	6 036	–	200	1 203	3 018
8.5 - Administrative and Corporate Support: Community Serv	–	–	–	–	–	–
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Vote 9 - Default	**–**	**–**	**–**	**–**	**–**	**–**
9.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 10 - Default	**–**	**–**	**–**	**–**	**–**	**–**
10.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 11 - Default	**–**	**–**	**–**	**–**	**–**	**–**
11.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 12 - Default		–	–	–	–	–	–
12.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 13 - Default		–	–	–	–	–	–
13.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 14 - Default		–	–	–	–	–	–
14.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 15 - Default		–	–	–	–	–	–
15.1 - [Name of sub-vote]		–	–	–	–	–	–
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Total Expenditure by Vote	2	**135 307**	**658 107**	**–**	**30 182**	**178 111**	**329 054**
Surplus/ (Deficit) for the year	2	**(40 596)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**

References

1. Insert 'Vote'; e.g. Department, if different to standard structure

2. Must reconcile to Financial Performance ('Revenue and Expenditure by Standard Classification' and 'Revenue and Expenditure')

3. Assign share in 'associate' to relevant Vote

check revenue
check expenditure

- Mid-Year Assessment

YTD variance	YTD variance %	Full Year Forecast
5 647	25%	**56 147**
5 647	25%	56 147
–		–
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1 071	50%	**6 424**
1 071	50%	6 424
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5 763	14%	**93 756**
–		–
248	23%	2 690
795	88%	3 400
3 117	12%	56 234
–		–
1 603	11%	31 431
–		–
–		–
–		–
–		–
(546)	-68%	**514**
–		–
23	44%	153
–		–
(570)	-76%	360
–		–
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–		–
(1 284)	-51%	**2 454**
216	86%	931
57	#DIV/0!	114
–		–
(4)	-25%	26
–		–
(1)	-100%	–

(5)	-22%	35
(1 546)	-70%	1 346
–		–
–		–
10 067	39%	**71 344**
11	#DIV/0!	22
–		–
(144)	-44%	360
–		–
–		–
10 200	40%	70 963
–		–
–		–
–		–
–		–
22 727	13%	**395 695**
–		–
4 792	10%	106 538
7 158	49%	43 250
–		–
11 701	43%	77 554
(924)	-1%	168 352
–		–
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35 251	582%	**82 607**
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1 201	397%	3 007
34 050	592%	79 600
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78 696	29%	**708 941**
–		
6 001	55%	**33 662**

7 729	95%	31 689
(487)	-45%	1 198
(1 241)	-76%	775
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(6 719)	-47%	**14 934**
(2 500)	-41%	7 267
(3 054)	-59%	4 161
(575)	-34%	2 223
(590)	-48%	1 283
0	#DIV/0!	0
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30	0%	**39 539**
–		–
(109)	-8%	2 462
157	5%	6 383
1 203	#DIV/0!	2 406
1 013	26%	9 924
(1 257)	-15%	14 062
(219)	-19%	1 922
(758)	-39%	2 379
–		–
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(5 109)	-31%	**22 359**
(383)	-19%	3 270
(837)	-17%	8 352
(1 401)	-57%	2 096
414	17%	5 758
(638)	-42%	1 730
(2 265)	-80%	1 153
–		–
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(5 909)	-44%	**14 963**
(1 230)	-40%	3 699
7	11%	152
(123)	-26%	711
(875)	-56%	1 361
–		–
–		–
(1 610)	-29%	7 802
(2 078)	-77%	1 238
–		–
–		–
(3 149)	-11%	**51 247**
(100)	-20%	783
(211)	-4%	10 081
1 097	27%	10 416
(702)	-100%	–

555	105%	2 164
(3 494)	-20%	27 803
–		–
–		–
(293)	-100%	–
–		–
(129 858)	-61%	**164 922**
–		–
(698)	-2%	90 998
(6 587)	-45%	16 050
(110 989)	-97%	6 735
2 222	23%	24 143
(13 805)	-51%	26 995
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(6 231)	-46%	**14 595**
(698)	-100%	–
(3 599)	-45%	8 860
(119)	-7%	3 329
(1 815)	-60%	2 406
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FS191 Setsoto - Table C4 Monthly Budget Statement - Financial Performance (revenue and expenditure) - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates		52 961	50 000	–	5 325	31 168	25 000	6 168	25%	59 166
Service charges - electricity revenue		68 345	75 707	–	5 600	37 846	37 854	(8)	0%	75 692
Service charges - water revenue		46 965	55 002	–	5 029	30 859	27 501	3 358	12%	61 719
Service charges - sanitation revenue		20 931	25 020	–	2 626	15 725	12 510	3 215	26%	31 450
Service charges - refuse revenue		30 565	30 000	–	3 348	20 059	15 000	5 059	34%	40 119
Service charges - other		330	–	–	–	–	–	–		–
Rental of facilities and equipment		1 192	697	–	9	78	348	(270)	-78%	157
Interest earned - external investments		2 396	6 514	–	412	1 938	3 257	(1 318)	-40%	3 877
Interest earned - outstanding debtors		24 177	28 001	–	2 774	15 512	14 000	1 511	11%	31 024
Dividends received		51	35	–	–	60	18	42	241%	119
Fines, penalties and forfeits		1 689	600	–	37	134	300	(166)	-55%	268
Licences and permits		190	35	–	5	13	18	(4)	-25%	26
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		162 806	177 144	–	57 976	133 208	88 572	44 636	50%	266 416
Other revenue		20 065	1 329	–	90	2 273	665	1 609	242%	4 547
Gains on disposal of PPE		–	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**432 661**	**450 084**	**–**	**83 230**	**288 874**	**225 042**	**63 832**	**28%**	**574 579**
Expenditure By Type										
Employee related costs		175 808	207 481	–	16 403	91 056	103 741	(12 685)	-12%	182 111
Remuneration of councillors		12 748	11 000	–	1 072	6 474	5 500	974	18%	12 948
Debt impairment		78 138	56 000	–	1 168	17 958	28 000	(10 042)	-36%	35 915
Depreciation & asset impairment		176 926	239 167	–	–	–	119 584	(119 584)	-100%	–
Finance charges		5 961	2 600	–	642	3 784	1 300	2 484	191%	7 567
Bulk purchases		53 990	67 000	–	5 484	39 310	33 500	5 810	17%	78 620
Other materials		–	38 276	–	606	(8 434)	19 138	(27 572)	-144%	(16 868)
Contracted services		13 380	286	–	4 138	9 479	143	9 336	6526%	18 959
Transfers and subsidies		2 111	650	–	2 582	12 186	325	11 861	3650%	24 372
Other expenditure		48 491	35 646	–	664	7 795	17 823	(10 028)	-56%	15 589
Loss on disposal of PPE		258	–	–	(1 478)	(1 496)	–	(1 496)	#DIV/0!	(2 993)
Total Expenditure		**567 810**	**658 107**	**–**	**31 282**	**178 111**	**329 054**	**(150 943)**	**-46%**	**356 221**
Surplus/(Deficit)		**(135 149)**	**(208 024)**	**–**	**51 948**	**110 763**	**(104 012)**	**214 775**	**(0)**	**218 357**
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		83 997	101 466	–	–	65 596	50 733	14 863	**0**	131 192
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		4 092	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		–	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		**(47 060)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**			**349 549**
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**(47 060)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**			**349 549**
Attributable to minorities		–	–	–	–	–	–			–
Surplus/(Deficit) attributable to municipality		**(47 060)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**			**349 549**
Share of surplus/ (deficit) of associate		–	–	–	–	–	–			–
Surplus/ (Deficit) for the year		**(47 060)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**			**349 549**

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding) - Mid-Year Assessment

Vote Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands	1								%	
Multi-Year expenditure appropriation	2									
Vote 1 - Executive and council		–	–	–	–	–	–	–		–
Vote 2 - Municipal Manager		–	–	–	–	–	–	–		–
Vote 3 - Treasury		–	–	–	–	–	–	–		–
Vote 4 - Corporate Services		–	–	–	–	–	–	–		–
Vote 5 - Development Planning and Social Security		–	–	–	–	–	–	–		–
Vote 6 - Development Planning and Social Security		–	–	–	–	–	–	–		–
Vote 7 - Engineering Services		–	–	–	–	–	–	–		–
Vote 8 - Engineering Services		–	–	–	–	–	–	–		–
Vote 9 - Default		–	–	–	–	–	–	–		–
Vote 10 - Default		–	–	–	–	–	–	–		–
Vote 11 - Default		–	–	–	–	–	–	–		–
Vote 12 - Default		–	–	–	–	–	–	–		–
Vote 13 - Default		–	–	–	–	–	–	–		–
Vote 14 - Default		–	–	–	–	–	–	–		–
Vote 15 - Default		–	–	–	–	–	–	–		–
Total Capital Multi-year expenditure	4,7	**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Single Year expenditure appropriation	2									
Vote 1 - Executive and council		28	213	–	–	86	107	(21)	-19%	172
Vote 2 - Municipal Manager		–	226	–	–	235	113	122	108%	469
Vote 3 - Treasury		24	240	–	–	85	120	(35)	-29%	170
Vote 4 - Corporate Services		–	689	–	–	87	345	(258)	-75%	174
Vote 5 - Development Planning and Social Security		–	11 715	–	–	6 116	5 858	259	4%	12 233
Vote 6 - Development Planning and Social Security		2 183	490	–	–	3 128	245	2 883	1177%	6 255
Vote 7 - Engineering Services		18 772	115 582	–	17 309	46 712	57 791	(11 079)	-19%	93 424
Vote 8 - Engineering Services		–	565	–	–	9	282	(273)	-97%	19
Vote 9 - Default		–	–	–	–	–	–	–		–
Vote 10 - Default		–	–	–	–	–	–	–		–
Vote 11 - Default		–	–	–	–	–	–	–		–
Vote 12 - Default		–	–	–	–	–	–	–		–
Vote 13 - Default		–	–	–	–	–	–	–		–
Vote 14 - Default		–	–	–	–	–	–	–		–
Vote 15 - Default		–	–	–	–	–	–	–		–
Total Capital single-year expenditure	4	21 008	129 720	–	17 309	56 458	64 860	**(8 402)**	**-13%**	112 915
Total Capital Expenditure		**21 008**	**129 720**	**–**	**17 309**	**56 458**	**64 860**	**(8 402)**	**-13%**	**112 915**
Capital Expenditure - Functional Classification										
Governance and administration		**3 418**	**1 564**	**–**	**–**	**1 010**	**782**	228	29%	**2 020**
Executive and council		28	330	–	–	86	165	(79)	-48%	172
Finance and administration		3 389	1 179	–	–	907	590	317	54%	1 813
Internal audit		–	54	–	–	17	27	(10)	-37%	34
Community and public safety		**12 266**	**11 990**	**–**	**–**	**5 612**	**5 995**	(383)	-6%	**11 224**
Community and social services		3	–	–	–	–	–	–		–
Sport and recreation		11 695	11 715	–	–	5 612	5 858	(245)	-4%	11 224
Public safety		–	–	–	–	–	–	–		–
Housing		568	275	–	–	–	138	(138)	-100%	–
Health		–	–	–	–	–	–	–		–
Economic and environmental services		**18 788**	**499**	**–**	**1 145**	**3 282**	**250**	3 033	1214%	**6 565**
Planning and development		16	94	–	–	–	47	(47)	-100%	–
Road transport		18 772	405	–	1 145	3 282	203	3 080	1521%	6 565
Environmental protection		–	–	–	–	–	–	–		–
Trading services		**(56 437)**	**115 667**	**–**	**16 163**	**46 544**	**57 833**	(11 290)	-20%	**93 088**
Energy sources		7 414	6 630	–	–	3 285	3 315	(30)	-1%	6 569
Water management		(115 600)	108 162	–	1 067	14 257	54 081	(39 824)	-74%	28 514
Waste water management		48 433	400	–	15 096	25 888	200	25 688	12844%	51 775
Waste management		3 317	475	–	–	3 115	237	2 877	1211%	6 229
Other		–	–	–	–	–	–	–		–
Total Capital Expenditure - Functional Classification	3	**(21 965)**	**129 720**	**–**	**17 309**	**56 448**	**64 860**	**(8 412)**	**-13%**	**112 897**
Funded by:										
National Government		–	–	–	–	–	–	–		–
Provincial Government		–	–	–	–	–	–	–		–
District Municipality		–	–	–	–	–	–	–		–
Other transfers and grants		–	–	–	–	–	–	–		–
Transfers recognised - capital		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
Public contributions & donations	5							–		
Borrowing	6	–	–	–	–	–	–	–		–
Internally generated funds		–	–	–	–	–	–	–		–
Total Capital Funding		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).

2. Include capital component of PPP unitary payment

3. Capital expenditure by functional classification must reconcile to the total of multi-year and single year appropriations

4. Include expenditure on investment property, intangible and biological assets

5. Must reconcile to Monthly Budget Statement Financial Performance (revenue and expenditure)

6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17

FS191 Setsoto - Table C5 Monthly Budget Statement - Capital Expenditure (municipal vote, functional classification and funding

Vote Description	Ref	2017/18	Budget Year 2018/19				
R thousand		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Capital expenditure - Municipal Vote							
Expenditure of multi-year capital appropriation	1						
Vote 1 - Executive and council		–	–	–	–	–	–
1.1 - Mayor and Council: Council General (Dept 1)		–	–	–	–	–	–
1.2 - Mayor and Council: Mayor Support Office (Dept 3)		–	–	–	–	–	–
1.3 - Mayor and Council: Speaker Support Office (Dept 5)		–	–	–	–	–	–
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Vote 2 - Municipal Manager		–	–	–	–	–	–
2.1 - Municipal Manager Town Secretary and Chief Executive: (		–	–	–	–	–	–
2.2 - Governance Function: Internal Audit (Dept 105)		–	–	–	–	–	–
2.3 - Corporate Wide Strategic Planning (IDPs LEDs): IDP/PMS		–	–	–	–	–	–
2.4 - Information Technology: Information Technology (Dept 10		–	–	–	–	–	–
2.5 - Core Function: Risk Management: Risk Management (De		–	–	–	–	–	–
2.6 - Municipal Manager Town Secretary and Chief Executive		–	–	–	–	–	–
2.7 - Information Technology		–	–	–	–	–	–
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Vote 3 - Treasury		–	–	–	–	–	–
3.1 - Finance: Default		–	–	–	–	–	–
3.2 - Budget and Treasury Office: Budget and Reporting (Dept 2		–	–	–	–	–	–
3.3 - Budget and Treasury Office: Budget and Reporting (Dept 2		–	–	–	–	–	–
3.4 - Finance: Assessment Rates (Dept 230)		–	–	–	–	–	–
3.5 - Finance: Expenditure Management (Dept 211)		–	–	–	–	–	–
3.6 - Finance: Revenue Management (Dept 221)		–	–	–	–	–	–
3.7 - Asset Management: Asset Management (Dept 223)		–	–	–	–	–	–
3.8 - Supply Chain Management: Supply Chain Management (D		–	–	–	–	–	–
3.9 - Asset Management		–	–	–	–	–	–
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Vote 4 - Corporate Services		–	–	–	–	–	–
4.1 - Administrative and Corporate Support: Administration and		–	–	–	–	–	–
4.2 - Administrative and Corporate Support: Corporate Service		–	–	–	–	–	–
4.3 - Human Resources: Human Resource Development (Dept		–	–	–	–	–	–
4.4 - Human Resources: Human Resources Administration (De		–	–	–	–	–	–
4.5 - Human Resources: Payroll Section (Dept 304)		–	–	–	–	–	–
4.6 - Legal Services: Legal Service and Communiciation (Dept		–	–	–	–	–	–
4.7 - Administrative and Corporate Support		–	–	–	–	–	–
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Vote 5 - Development Planning and Social Security		–	–	–	–	–	–
5.1 - Cemeteries Funeral Parlours and Crematoriums: Cemetrie		–	–	–	–	–	–
5.2 - Community Halls and Facilities: Halls (Dept 407)		–	–	–	–	–	–
5.3 - Disaster Management: Disaster Management (Dept 436)		–	–	–	–	–	–
5.4 - Corporate Wide Strategic Planning (IDPs LEDs): LED and		–	–	–	–	–	–
5.5 - Entity FX013001003001000000000000000000000000		–	–	–	–	–	–

5.6 - Entity FX013001003002000000000000000000000000	–	–	–	–	–	–
5.7 - Sports Grounds and Stadiums: Sport Grounds and Stadiu	–	–	–	–	–	–
5.8 - Property Services: Properties (Dept 411)	–	–	–	–	–	–
5.9 - Libraries and Archives: Library (Dept 403)	–	–	–	–	–	–
5.10 - Property Services	–	–	–	–	–	–
Vote 6 - Development Planning and Social Security	–	–	–	–	–	–
6.1 - Fire Fighting and Protection: Fire Fighting (Dept 435)	–	–	–	–	–	–
6.2 - Police Forces Traffic and Street Parking Control: Security	–	–	–	–	–	–
6.3 - Police Forces Traffic and Street Parking Control: Traffic (D	–	–	–	–	–	–
6.4 - Solid Waste Disposal (Landfill Sites): Waste Management	–	–	–	–	–	–
6.5 - Solid Waste Removal: Comm Serv Admin (Dept 401)	–	–	–	–	–	–
6.6 - Solid Waste Removal: Waste Management (Dept 480)	–	–	–	–	–	–
6.7 - Core Function: Health Services: Health Environmental Ser	–	–	–	–	–	–
6.8 - Health Services: Health Environmental Services	–	–	–	–	–	–
6.9 - Health Services: Health Public Services (Dept 4)	–	–	–	–	–	–
6.10 - Health Services: Abbatoir (dept 445)	–	–	–	–	–	–
Vote 7 - Engineering Services	–	–	–	–	–	–
7.1 - Electricity	–	–	–	–	–	–
7.2 - Electricity: Electricity Distribution (Dept 530)	–	–	–	–	–	–
7.3 - Roads: Roads and Storm Water (Dept 521)	–	–	–	–	–	–
7.4 - Roads: Tech Serv Admin (Dept 501)	–	–	–	–	–	–
7.5 - Sewerage: Sewerage Services (Dept 550)	–	–	–	–	–	–
7.6 - Water Distribution: Water Distribution (540)	–	–	–	–	–	–
7.7 - Water TreatWater Treatment (Dept 540)	–	–	–	–	–	–
7.8 - Water Distribution	–	–	–	–	–	–
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Vote 8 - Engineering Services	–	–	–	–	–	–
8.1 - [Name of sub-vote]	–	–	–	–	–	–
8.2 - Housing: Housing Administration (Dept 311)	–	–	–	–	–	–
8.3 - Project Management Unit: Project Management Unit (Dept	–	–	–	–	–	–
8.4 - Fleet Management: Workshop (Dept 511)	–	–	–	–	–	–
8.5 - Administrative and Corporate Support: Community Service	–	–	–	–	–	–
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Vote 9 - Default	–	–	–	–	–	–
9.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 10 - Default	–	–	–	–	–	–
10.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 11 - Default		–	–	–	–	–	–
11.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 12 - Default		–	–	–	–	–	–
12.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 13 - Default		–	–	–	–	–	–
13.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 14 - Default		–	–	–	–	–	–
14.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 15 - Default		–	–	–	–	–	–
15.1 - [Name of sub-vote]		–	–	–	–	–	–
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Total multi-year capital expenditure		–	–	–	–	–	–
Capital expenditure - Municipal Vote							

Expenditue of single-year capital appropriation	1						
Vote 1 - Executive and council		**28**	**213**	**–**	**–**	**86**	**107**
1.1 - Mayor and Council: Council General (Dept 1)		–	–	–	–	–	–
1.2 - Mayor and Council: Mayor Support Office (Dept 3)		–	–	–	–	–	–
1.3 - Mayor and Council: Speaker Support Office (Dept 5)		28	213	–	–	86	107
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Vote 2 - Municipal Manager		**–**	**226**	**–**	**–**	**235**	**113**
2.1 - Municipal Manager Town Secretary and Chief Executive: (		–	117	–	–	12	58
2.2 - Governance Function: Internal Audit (Dept 105)		–	54	–	–	17	27
2.3 - Corporate Wide Strategic Planning (IDPs LEDs): IDP/PMS		–	54	–	–	–	27
2.4 - Information Technology: Information Technology (Dept 10		–	–	–	–	205	–
2.5 - Core Function: Risk Management: Risk Management (De		–	–	–	–	–	–
2.6 - Municipal Manager Town Secretary and Chief Executive		–	–	–	–	–	–
2.7 - Information Technology		–	–	–	–	–	–
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Vote 3 - Treasury		**24**	**240**	**–**	**–**	**85**	**120**
3.1 - Finance: Default		–	–	–	–	–	–
3.2 - Budget and Treasury Office: Budget and Reporting (Dept		–	30	–	–	–	15
3.3 - Budget and Treasury Office: Budget and Reporting (Dept		–	–	–	–	–	–
3.4 - Finance: Assessment Rates (Dept 230)		–	–	–	–	–	–
3.5 - Finance: Expenditure Management (Dept 211)		–	40	–	–	15	20
3.6 - Finance: Revenue Management (Dept 221)		24	100	–	–	–	50
3.7 - Asset Management: Asset Management (Dept 223)		–	–	–	–	–	–
3.8 - Supply Chain Management: Supply Chain Management (		–	70	–	–	70	35
3.9 - Asset Management		–	–	–	–	–	–
		–	–	–	–	–	–
Vote 4 - Corporate Services		**–**	**689**	**–**	**–**	**87**	**345**
4.1 - Administrative and Corporate Support: Administration and		–	432	–	–	87	216
4.2 - Administrative and Corporate Support: Corporate Service		–	15	–	–	–	8
4.3 - Human Resources: Human Resource Development (Dept		–	60	–	–	–	30
4.4 - Human Resources: Human Resources Administration (De		–	–	–	–	–	–
4.5 - Human Resources: Payroll Section (Dept 304)		–	51	–	–	–	26
4.6 - Legal Services: Legal Service and Communiciation (Dept		–	131	–	–	–	66
4.7 - Administrative and Corporate Support		–	–	–	–	–	–
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Vote 5 - Development Planning and Social Security		**–**	**11 715**	**–**	**–**	**6 116**	**5 858**
5.1 - Cemeteries Funeral Parlours and Crematoriums: Cemetrie		–	–	–	–	–	–
5.2 - Community Halls and Facilities: Halls (Dept 407)		–	–	–	–	–	–
5.3 - Disaster Management: Disaster Management (Dept 436)		–	–	–	–	–	–
5.4 - Corporate Wide Strategic Planning (IDPs LEDs): LED and		–	–	–	–	–	–
5.5 - Entity FX013001003001000000000000000000000000		–	200	–	–	0	100
5.6 - Entity FX013001003002000000000000000000000000		–	–	–	–	–	–
5.7 - Sports Grounds and Stadiums: Sport Grounds and Stadiu		–	11 515	–	–	5 612	5 757
5.8 - Property Services: Properties (Dept 411)		–	–	–	–	501	–
5.9 - Libraries and Archives: Library (Dept 403)		–	–	–	–	2	–
5.10 - Property Services		–	–	–	–	–	–
Vote 6 - Development Planning and Social Security		**2 183**	**490**	**–**	**–**	**3 128**	**245**
6.1 - Fire Fighting and Protection: Fire Fighting (Dept 435)		–	–	–	–	–	–
6.2 - Police Forces Traffic and Street Parking Control: Security		–	15	–	–	2	8

6.3 - Police Forces Traffic and Street Parking Control: Traffic (D	–	–	–	–	11	–
6.4 - Solid Waste Disposal (Landfill Sites): Waste Management	–	25	–	–	3 115	12
6.5 - Solid Waste Removal: Comm Serv Admin (Dept 401)	–	50	–	–	–	25
6.6 - Solid Waste Removal: Waste Management (Dept 480)	2 183	400	–	–	–	200
6.7 - Core Function: Health Services: Health Environmental Ser	–	–	–	–	–	–
6.8 - Health Services: Health Environmental Services	–	–	–	–	–	–
6.9 - Health Services: Health Public Services (Dept 4)	–	–	–	–	–	–
6.10 - Health Services: Abbatoir (dept 445)	–	–	–	–	–	–
Vote 7 - Engineering Services	**18 772**	**115 582**	**–**	**17 309**	**46 712**	**57 791**
7.1 - Electricity	–	–	–	–	–	–
7.2 - Electricity: Electricity Distribution (Dept 530)	–	6 630	–	–	3 285	3 315
7.3 - Roads: Roads and Storm Water (Dept 521)	–	310	–	1 145	3 282	155
7.4 - Roads: Tech Serv Admin (Dept 501)	18 772	80	–	–	–	40
7.5 - Sewerage: Sewerage Services (Dept 550)	–	400	–	15 096	25 888	200
7.6 - Water Distribution: Water Distribution (540)	–	108 162	–	1 067	14 257	54 081
7.7 - Water TreatWater Treatment (Dept 540)	–	–	–	–	–	–
7.8 - Water Distribution	–	–	–	–	–	–
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Vote 8 - Engineering Services	**–**	**565**	**–**	**–**	**9**	**282**
8.1 - [Name of sub-vote]	–	–	–	–	–	–
8.2 - Housing: Housing Administration (Dept 311)	–	275	–	–	–	138
8.3 - Project Management Unit: Project Management Unit (Dept	–	40	–	–	9	20
8.4 - Fleet Management: Workshop (Dept 511)	–	250	–	–	–	125
8.5 - Administrative and Corporate Support: Community Service	–	–	–	–	–	–
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Vote 9 - Default	**–**	**–**	**–**	**–**	**–**	**–**
9.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 10 - Default	**–**	**–**	**–**	**–**	**–**	**–**
10.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 11 - Default	**–**	**–**	**–**	**–**	**–**	**–**
11.1 - [Name of sub-vote]	–	–	–	–	–	–
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Vote 12 - Default		–	–	–	–	–	–
12.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 13 - Default		–	–	–	–	–	–
13.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 14 - Default		–	–	–	–	–	–
14.1 - [Name of sub-vote]		–	–	–	–	–	–
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Vote 15 - Default		–	–	–	–	–	–
15.1 - [Name of sub-vote]		–	–	–	–	–	–
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Total single-year capital expenditure		**21 008**	**129 720**	**–**	**17 309**	**56 458**	**64 860**
Total Capital Expenditure		**21 008**	**129 720**	**–**	**17 309**	**56 458**	**64 860**

References

1. Insert 'Vote'; e.g. Department, if different to standard structure

) - A - Mid-Year Assessment

YTD variance	YTD variance %	Full Year Forecast
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–		–
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–		
(21)	-19%	**172**
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(21)	-19%	172
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122	108%	**469**
(46)	-79%	24
(10)	-37%	34
(27)	-100%	–
205	#DIV/0!	411
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(35)	-29%	**170**
–		–
(15)	-100%	–
–		–
–		–
(5)	-25%	30
(50)	-100%	–
–		–
35	100%	140
–		–
–		–
(258)	-75%	**174**
(129)	-60%	174
(8)	-100%	–
(30)	-100%	–
–		–
(26)	-100%	–
(66)	-100%	–
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259	4%	**12 233**
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(100)	-100%	1
–		–
(145)	-3%	11 224
501	#DIV/0!	1 002
2	#DIV/0!	5
–		–
2 883	1177%	**6 255**
–		–
(6)	-75%	4

11	#DIV/0!	22
3 102	24820%	6 229
(25)	-100%	–
(200)	-100%	–
–		–
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–		–
(11 079)	-19%	**93 424**
–		–
(30)	-1%	6 569
3 127	2018%	6 565
(40)	-100%	–
25 688	12844%	51 775
(39 824)	-74%	28 514
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(273)	-97%	**19**
–		–
(138)	-100%	–
(11)	-53%	19
(125)	-100%	–
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FS191 Setsoto - Table C6 Monthly Budget Statement - Financial Position - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19			
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
ASSETS						
Current assets						
Cash		302	832	–	2 707	832
Call investment deposits		76	–	–	49 262	–
Consumer debtors		181 268	321 878	–	244 798	321 878
Other debtors		60 252	12 777	–	189 523	12 777
Current portion of long-term receivables		–	–	–	–	–
Inventory		2 861	–	–	19 061	–
Total current assets		**244 759**	**335 487**	**–**	**505 351**	**335 487**
Non current assets						
Long-term receivables		–	–	–	–	–
Investments		3 480	–	–	3 480	–
Investment property		68 199	3 254	–	59 206	3 254
Investments in Associate		–	–	–	–	–
Property, plant and equipment		3 056 819	3 116 120	–	3 066 982	3 116 120
Agricultural		–	–	–	–	–
Biological assets		–	–	–	–	–
Intangible assets		1 575	–	–	1 869	–
Other non-current assets		–	15 386	–	–	15 386
Total non current assets		**3 130 072**	**3 134 760**	**–**	**3 131 536**	**3 134 760**
TOTAL ASSETS		**3 374 831**	**3 470 247**	**–**	**3 636 888**	**3 470 247**
LIABILITIES						
Current liabilities						
Bank overdraft		–	–	–	–	–
Borrowing		7 923	3 000	–	7 790	3 000
Consumer deposits		2 788	3 000	–	3 107	3 000
Trade and other payables		127 160	109 945	–	50 158	109 945
Provisions		1 217	1 500	–	1 217	1 500
Total current liabilities		**139 087**	**117 445**	**–**	**62 272**	**117 445**
Non current liabilities						
Borrowing		26 280	10 500	–	26 280	10 500
Provisions		65 349	65 050	–	65 349	65 050
Total non current liabilities		**91 629**	**75 550**	**–**	**91 629**	**75 550**
TOTAL LIABILITIES		**230 716**	**192 995**	**–**	**153 901**	**192 995**
NET ASSETS	2	**3 144 115**	**3 277 251**	**–**	**3 482 987**	**3 277 251**
COMMUNITY WEALTH/EQUITY						
Accumulated Surplus/(Deficit)		3 144 115	3 277 251	–	3 482 987	3 277 251
Reserves		–	–	–	–	–
TOTAL COMMUNITY WEALTH/EQUITY	2	**3 144 115**	**3 277 251**	**–**	**3 482 987**	**3 277 251**

FS191 Setsoto - Table C7 Monthly Budget Statement - Cash Flow - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
CASH FLOW FROM OPERATING ACTIVITIES										
Receipts										
Property rates		55 060	40 000	–	1 673	11 903	20 000	(8 097)	-40%	23 806
Service charges		75 449	148 583	–	3 513	42 335	74 292	(31 956)	-43%	84 671
Other revenue		2 290	2 129	–	951	10 177	1 065	9 112	856%	20 354
Government - operating		162 806	177 826	–	57 976	133 208	88 913	44 295	50%	177 826
Government - capital		83 997	107 782	–	–	65 545	53 891	11 654	22%	107 782
Interest		2 396	28 393	–	410	2 434	14 197	(11 763)	-83%	4 868
Dividends		51	35	–	–	60	18	42	241%	119
Payments										
Suppliers and employees		(298 111)	(359 690)	–	(35 852)	(177 423)	(179 845)	(2 422)	1%	(354 846)
Finance charges		(5 961)	(2 600)	–	(642)	(2 626)	(1 300)	1 326	-102%	(5 253)
Transfers and Grants		–	(650)	–	(2 582)	(12 186)	(325)	11 861	-3650%	(24 372)
NET CASH FROM/(USED) OPERATING ACTIVITIES		**77 977**	**141 809**	**–**	**25 448**	**73 426**	**70 905**	**(2 522)**	**-4%**	**34 955**
CASH FLOWS FROM INVESTING ACTIVITIES										
Receipts										
Proceeds on disposal of PPE		375	–	–	(1 478)	(1 496)	–	(1 496)	#DIV/0!	(2 993)
Decrease (Increase) in non-current debtors		–	–	–	–	–	–	–		–
Decrease (increase) other non-current receivables		–	–	–	–	–	–	–		–
Decrease (increase) in non-current investments		–	–	–	–	11 600	–	11 600	#DIV/0!	23 200
Payments										
Capital assets		(99 118)	(129 720)	–	(17 309)	(30 495)	(64 860)	(34 365)	53%	(60 990)
NET CASH FROM/(USED) INVESTING ACTIVITIES		**(98 743)**	**(129 720)**	**–**	**(18 786)**	**(20 391)**	**(64 860)**	**(44 469)**	**69%**	**(40 782)**
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts										
Short term loans		–	–	–	–	–	–	–		–
Borrowing long term/refinancing		–	–	–	–	–	–	–		–
Increase (decrease) in consumer deposits		–	–	–	83	2 833	–	2 833	#DIV/0!	5 666
Payments										
Repayment of borrowing		19 062	(3 000)	–	(1 416)	(4 276)	(1 500)	2 776	-185%	(8 553)
NET CASH FROM/(USED) FINANCING ACTIVITIES		**19 062**	**(3 000)**	**–**	**(1 333)**	**(1 444)**	**(1 500)**	**(56)**	**4%**	**(2 887)**
NET INCREASE/ (DECREASE) IN CASH HELD		**(1 704)**	**9 089**	**–**	**5 328**	**51 591**	**4 544**			**(8 714)**
Cash/cash equivalents at beginning:		2 081	–	–		378	–			378
Cash/cash equivalents at month/year end:		377	9 089	–		51 969	4 544			(8 337)

FS191 Setsoto - Supporting Table SC1 Material variance explanations - Mid-Year Assessment

Ref	Description R thousands	Variance	Reasons for material deviations	Remedial or corrective steps/remarks
1	Revenue By Source			
2	Expenditure By Type			
3	Capital Expenditure			
4	Financial Position			
5	Cash Flow			
6	Measureable performance			
7	Municipal Entities			

FS191 Setsoto - Supporting Table SC2 Monthly Budget Statement - performance indicators - Mid-Year Assessment

Description of financial indicator	Basis of calculation	Ref	2017/18	Budget Year 2018/19			
			Audited Outcome	Original Budget	Adjusted Budget	YearTD actual	Full Year Forecast
Borrowing Management							
Capital Charges to Operating Expenditure	Interest & principal paid/Operating Expenditure		4.4%	36.7%	0.0%	2.1%	5.8%
Borrowed funding of 'own' capital expenditure	Borrowings/Capital expenditure excl. transfers and grants		0.0%	0.0%	0.0%	0.0%	0.0%
Safety of Capital							
Debt to Equity	Loans, Accounts Payable, Overdraft & Tax Provision/ Funds & Reserves		5.1%	3.8%	0.0%	2.4%	3.8%
Gearing	Long Term Borrowing/ Funds & Reserves		0.0%	0.0%	0.0%	0.0%	0.0%
Liquidity							
Current Ratio	Current assets/current liabilities	1	176.0%	285.7%	0.0%	811.5%	285.7%
Liquidity Ratio	Monetary Assets/Current Liabilities		0.3%	0.7%	0.0%	83.5%	0.7%
Revenue Management							
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/ Last 12 Mths Billing						
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue		55.8%	74.4%	0.0%	150.3%	58.2%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old		0.0%	0.0%	0.0%	0.0%	0.0%
Creditors Management							
Creditors System Efficiency	% of Creditors Paid Within Terms (within MFMA s 65(e))						
Funding of Provisions							
Percentage Of Provisions Not Funded	Unfunded Provisions/Total Provisions						
Other Indicators							
Electricity Distribution Losses	% Volume (units purchased and generated less units sold)/units purchased and generated	2	4.0%	11.0%		12.0%	11.0%
Water Distribution Losses	% Volume (units purchased and own source less units sold)/Total units purchased and own source	2	25.0%	25.0%		38.0%	25.0%
Employee costs	Employee costs/Total Revenue - capital revenue		40.6%	46.1%	0.0%	31.5%	31.7%
Repairs & Maintenance	R&M/Total Revenue - capital revenue		0.0%	0.0%	0.0%	0.0%	0.0%
Interest & Depreciation	I&D/Total Revenue - capital revenue		42.3%	53.7%	0.0%	1.3%	3.6%
IDP regulation financial viability indicators							
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)		607.2%	971.6%		131.0%	3.9%
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services		396.6%	141.5%		387.0%	106.4%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure		-2176.5%	25.3%		177.0%	70.6%

FS191 Setsoto - Supporting Table SC3 Monthly Budget Statement - aged debtors - Mid-Year Assessment

Description	NT Code	Budget Year 2018/19											
R thousands		0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr	Total	Total over 90 days	Actual Bad Debts Written Off against Debtors	Impairment - Bad Debts i.t.o Council Policy
Debtors Age Analysis By Income Source													
Trade and Other Receivables from Exchange Transactions - Water	1200	8 510	3 708	3 603	3 675	3 511	2 859	14 213	64 227	104 306	88 485	–	–
Trade and Other Receivables from Exchange Transactions - Electricity	1300	5 246	1 359	1 223	1 192	1 145	1 007	3 054	12 142	26 367	18 539	–	–
Receivables from Non-exchange Transactions - Property Rates	1400	7 653	2 754	2 659	2 585	2 491	2 453	11 788	51 590	83 972	70 906	–	–
Receivables from Exchange Transactions - Waste Water Management	1500	4 214	1 905	1 853	1 817	1 787	1 396	6 808	30 728	50 508	42 536	–	–
Receivables from Exchange Transactions - Waste Management	1600	5 388	2 469	2 431	2 401	2 370	1 860	9 046	39 157	65 123	54 835	–	–
Receivables from Exchange Transactions - Property Rental Debtors	1700	–	–	–	–	–	–	–	–	–	–	–	–
Interest on Arrear Debtor Accounts	1810	5 428	2 558	2 462	2 361	2 248	2 171	11 963	47 033	76 224	65 776	–	–
Recoverable unauthorised, irregular, fruitless and wasteful expenditure	1820	–	–	–	–	–	–	–	–	–	–	–	–
Other	1900	3 419	(178)	1 215	1 359	1 361	(5 189)	2 315	23 519	27 820	23 365	–	–
Total By Income Source	**2000**	**39 859**	**14 574**	**15 444**	**15 390**	**14 913**	**6 557**	**59 187**	**268 396**	**434 321**	**364 443**	**–**	**–**
2017/18 - totals only		40 894	20 219	13 093	12 748	12 515	12 054	54 263	211 259	377 044	**302 839**		
Debtors Age Analysis By Customer Group													
Organs of State	2200	3 951	312	1 589	1 625	1 564	(4 025)	8 065	25 601	38 681	32 830	–	–
Commercial	2300	4 911	1 191	1 124	1 151	1 001	657	2 646	16 085	28 766	21 540	–	–
Households	2400	30 379	12 847	12 642	12 499	12 070	9 778	47 764	221 536	359 514	303 647	–	–
Other	2500	618	225	90	115	279	147	711	5 175	7 360	6 426	–	–
Total By Customer Group	**2600**	**39 859**	**14 574**	**15 444**	**15 390**	**14 913**	**6 557**	**59 187**	**268 396**	**434 321**	**364 443**	**–**	**–**

FS191 Setsoto - Supporting Table SC4 Monthly Budget Statement - aged creditors - Mid-Year Assessment

Description R thousands	NT Code	Budget Year 2018/19								
		0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 150 Days	151 - 180 Days	181 Days - 1 Year	Over 1 Year	Total
Creditors Age Analysis By Customer Type										
Bulk Electricity	0100	5 053	5 320	5 264	–	–	-	-	-	**15 638**
Bulk Water	0200	-	-	-	-	-	-	-	-	**–**
PAYE deductions	0300	-	-	-	-	-	-	-	-	**–**
VAT (output less input)	0400	–	–	–	–	-	–	–	–	**–**
Pensions / Retirement deductions	0500	–	–	–	–	–	-	-	–	**–**
Loan repayments	0600	-	-	-	-	-	-	-	-	**–**
Trade Creditors	0700	1 202	737	819	62	2 054	–	–	–	**4 873**
Auditor General	0800	1 808	1 496	–	927	–	-	-	-	**4 231**
Other	0900	-	-	-	-	-	-	-	–	**–**
Total By Customer Type	**1000**	**8 063**	**7 553**	**6 083**	**988**	**2 054**	**–**	**–**	**–**	**24 741**

FS191 Setsoto - Supporting Table SC5 Monthly Budget Statement - investment portfolio - Mid-Year Assessment

Investments by maturity Name of institution & investment ID R thousands	Ref	Period of Investment Yrs/Months	Type of Investment	Expiry date of investment	Accrued interest for the month	Yield for the month 1 (%)	Market value at beginning of the month	Change in market value	Market value at end of the month
Municipality									
Absa Bank		Yearly	Short-Term	30/062019			31		31
Estern FS Co-op		Yearly	Short-Term	30/062019			1 236		1 236
FNB		Monthly	Short-Term	31/12/2018	286	0.6%	49 130	132	49 262
Sanlam		Yearly	Short-Term	30/062019			2 213		2 213
Municipality sub-total					286		52 610	132	52 741
Entities									
Entities sub-total					–		–	–	–
TOTAL INVESTMENTS AND INTEREST	2				**286**		**52 610**	**132**	**52 741**

FS191 Setsoto - Supporting Table SC6 Monthly Budget Statement - transfers and grant receipts - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
RECEIPTS:	1,2									
Operating Transfers and Grants										
National Government:		**176 002**	**177 826**	**–**	**57 976**	**133 608**	**133 608**	**–**		**177 826**
Local Government Equitable Share		158 775	173 927	–	57 976	130 446	130 446	–		173 927
		–	–	–	–	–	–	–		–
Finance Management		1 625	1 700	–	–	1 700	1 700	–		1 700
		–	–	–	–	–	–	–		–
Integrated National Electrification Programme		6 000	682	–	–	400	400	–		682
	3	–	–	–	–	–	–	–		–
EPWP Incentive		9 602	1 517	–	–	1 062	1 062	–		1 517
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]		–	–	–	–	–	–	–		–
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
		–	–	–	–	–	–	–		–
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	4	–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Other transfers and grants [insert description]								–		
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	**–**		**–**
[insert description]		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
		–	–	–	–	–	–	–		–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
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Total Operating Transfers and Grants	5	**176 002**	**177 826**	**–**	**57 976**	**133 608**	**133 608**	**–**		**177 826**
Capital Transfers and Grants										
National Government:		49 091	107 782	–	15 000	65 016	65 016	–		107 782
Municipal Infrastucture		49 091	57 782	–	–	25 616	25 616	–		57 782
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
		–	–	–	–	–	–	–		–
Regional Bulk Infrastructure		–	30 000	–	15 000	25 000	25 000	–		30 000
		–	–	–	–	–	–	–		–
Other capital transfers *[WSIG]*		–	20 000	–	–	14 400	14 400	–		20 000
Provincial Government:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
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		–	**–**	**–**	**–**	**–**	**–**	–		**–**
		–	–	–	–	–	–	–		–
District Municipality:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
		–	–	–	–	–	–	–		–
Other grant providers:		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
[insert description]		**–**	**–**	**–**	**–**	**–**	**–**	–		**–**
		–	**–**	**–**	**–**	**–**	**–**	–		**–**
								–		
								–		
								–		
								–		
Total Capital Transfers and Grants	5	**49 091**	**107 782**	**–**	**15 000**	**65 016**	**65 016**	**–**		**107 782**
TOTAL RECEIPTS OF TRANSFERS & GRANTS	5	225 093	285 608	–	72 976	198 624	198 624	–		285 608

FS191 Setsoto - Supporting Table SC7(1) Monthly Budget Statement - transfers and grant expenditure - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
EXPENDITURE										
Operating expenditure of Transfers and Grants										
National Government:		–	**177 826**	–	–	**73 798**	**74 094**	**(296)**	**-0.4%**	**177 826**
Local Government Equitable Share			173 927		–	72 470	72 470	0	0.0%	173 927
			–				–	–		–
Finance Management			1 700		–	657	708	(51)	-7.2%	1 700
			–				–	–		–
Integrated National Electrification Programme			682		–	–	284	(284)	-100.0%	682
			–				–	–		–
Other transfers and grants [insert description]			1 517		–	671	632	39	6.2%	1 517
Provincial Government:		–	–	–	–	–	–	–		–
								–		
								–		
								–		
								–		
Other transfers and grants [insert description]								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
[insert description]								–		
Total operating expenditure of Transfers and Grants:		–	**177 826**	–	–	**73 798**	**74 094**	**(296)**	**-0.4%**	**177 826**
Capital expenditure of Transfers and Grants										
National Government:		–	107 782	–	–	15 377	44 909	(29 532)	**-65.8%**	107 782
Municipal Infrastucture			57 782		–	8 462	24 076	(15 614)	-64.9%	57 782
			30 000		–	–	12 500	(12 500)	-100.0%	30 000
								–		
Regional Bulk Infrastructure								–		
								–		
Other capital transfers [WSIG]			20 000		–	6 915	8 333	(1 418)	-17.0%	20 000
Provincial Government:		–	–	–	–	–	–	–		–
								–		
								–		
District Municipality:		–	–	–	–	–	–	–		–
								–		
								–		
Other grant providers:		–	–	–	–	–	–	–		–
								–		
								–		
Total capital expenditure of Transfers and Grants		–	**107 782**	–	–	**15 377**	**44 909**	**(29 532)**	**-65.8%**	**107 782**
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		–	**285 608**	–	–	**89 175**	**119 003**	**(29 828)**	**-25.1%**	**285 608**

FS191 Setsoto - Supporting Table SC7(2) Monthly Budget Statement - Expenditure against approved rollovers - Mid-Year Assessment

Description	Ref	Budget Year 2018/19				
		Approved Rollover 2017/18	Monthly actual	YearTD actual	YTD variance	YTD variance
R thousands						%
EXPENDITURE						
Operating expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Local Government Equitable Share					–	
					–	
Finance Management					–	
					–	
Integrated National Electrification Programme					–	
					–	
Other transfers and grants [insert description]					–	
Provincial Government:		–	–	–	–	
					–	
					–	
					–	
					–	
Other transfers and grants [insert description]					–	
District Municipality:		–	–	–	–	
					–	
[insert description]					–	
Other grant providers:		–	–	–	–	
					–	
[insert description]					–	
Total operating expenditure of Approved Roll-overs		–	–	–	–	
Capital expenditure of Approved Roll-overs						
National Government:		–	–	–	–	
Municipal Infrastucture					–	
					–	
					–	
Regional Bulk Infrastructure					–	
					–	
Other capital transfers [WSIG]					–	
Provincial Government:		–	–	–	–	
					–	
					–	
District Municipality:		–	–	–	–	
					–	
					–	
Other grant providers:		–	–	–	–	
					–	
					–	
Total capital expenditure of Approved Roll-overs		–	–	–	–	
TOTAL EXPENDITURE OF APPROVED ROLL-OVERS		–	–	–	–	

FS191 Setsoto - Supporting Table SC8 Monthly Budget Statement - councillor and staff benefits - Mid-Year Assessment

Summary of Employee and Councillor remuneration	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance	Full Year Forecast
R thousands									%	
	1	A	B	C						D
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages		12 748	10 286	–	1 072	6 474	5 143	1 331	26%	12 948
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Sub Total - Councillors		**12 748**	**10 286**	**–**	**1 072**	**6 474**	**5 143**	**1 331**	**26%**	**12 948**
% increase	4		**-19.3%**							**1.6%**
Senior Managers of the Municipality	3									
Basic Salaries and Wages		–	–	–	–	–	–	–		–
Pension and UIF Contributions		–	–	–	–	–	–	–		–
Medical Aid Contributions		–	–	–	–	–	–	–		–
Overtime		–	–	–	–	–	–	–		–
Performance Bonus		–	–	–	–	–	–	–		–
Motor Vehicle Allowance		–	–	–	–	–	–	–		–
Cellphone Allowance		–	–	–	–	–	–	–		–
Housing Allowances		–	–	–	–	–	–	–		–
Other benefits and allowances		–	–	–	–	–	–	–		–
Payments in lieu of leave		–	–	–	–	–	–	–		–
Long service awards		–	–	–	–	–	–	–		–
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Sub Total - Senior Managers of Municipality		–	–	–	–	–	–	–		–
% increase	4									
Other Municipal Staff										
Basic Salaries and Wages		104 828	167 293	–	10 966	64 968	83 647	(18 679)	-22%	129 936
Pension and UIF Contributions		21 715	8 282	–	560	3 379	4 141	(762)	-18%	6 758
Medical Aid Contributions		11 908	14 652	–	1 000	5 999	7 326	(1 327)	-18%	11 998
Overtime		8 527	2 638	–	526	3 323	1 319	2 004	152%	6 646
Performance Bonus		8 693	9 409	–	2 002	5 303	4 704	598	13%	10 606
Motor Vehicle Allowance		12 005	9 822	–	764	4 517	4 911	(394)	-8%	9 033
Cellphone Allowance		715	175	–	14	84	88	(4)	-5%	167
Housing Allowances		545	411	–	215	1 190	205	985	480%	2 380
Other benefits and allowances		2 341	–	–	–	–	–	–		–
Payments in lieu of leave		3 739	4 062	–	337	2 096	2 031	65	3%	4 193
Long service awards		790	1 737	–	18	197	868	(672)	-77%	394
Post-retirement benefit obligations	2	–	–	–	–	–	–	–		–
Sub Total - Other Municipal Staff		**175 808**	**218 481**	**–**	**16 403**	**91 056**	**109 241**	**(18 185)**	**-17%**	**182 111**
% increase	4		**24.3%**							**3.6%**
Total Parent Municipality		**188 556**	**228 767**	**–**	**17 476**	**97 530**	**114 383**	**(16 853)**	**-15%**	**195 060**
Unpaid salary, allowances & benefits in arrears:										
Board Members of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Board Fees								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Sub Total - Board Members of Entities	2	–	–	–	–	–	–	–		–
% increase	4									
Senior Managers of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations	2							–		
Sub Total - Senior Managers of Entities		–	–	–	–	–	–	–		–
% increase	4									
Other Staff of Entities										
Basic Salaries and Wages								–		
Pension and UIF Contributions								–		
Medical Aid Contributions								–		
Overtime								–		
Performance Bonus								–		
Motor Vehicle Allowance								–		
Cellphone Allowance								–		
Housing Allowances								–		
Other benefits and allowances								–		
Payments in lieu of leave								–		
Long service awards								–		
Post-retirement benefit obligations								–		
Sub Total - Other Staff of Entities		–	–	–	–	–	–	–		–
% increase	4									
Total Municipal Entities		–	–	–	–	–	–	–		–
TOTAL SALARY, ALLOWANCES & BENEFITS		**188 556**	**228 767**	**–**	**17 476**	**97 530**	**114 383**	**(16 853)**	**-15%**	**195 060**
% increase	4		**21.3%**							**3.4%**
TOTAL MANAGERS AND STAFF		**175 808**	**218 481**	**–**	**16 403**	**91 056**	**109 241**	**(18 185)**	**-17%**	**182 111**

FS191 Setsoto - Supporting Table SC9 Monthly Budget Statement - actuals and revised targets for cash receipts - Mid-Year Assessment

Description	Ref	Budget Year 2018/19												2018/19 Medium Term Revenue & Expenditure Framework		
		July	August	Sept	October	Nov	Dec	January	Feb	March	April	May	June	Budget Year 2018/19	Budget Year +1 2019/20	Budget Year +2 2020/21
R thousands	1	Outcome	Outcome	Outcome	Outcome	Outcome	Outcome	Budget	Budget	Budget	Budget	Budget	Budget			
Cash Receipts By Source																
Property rates		4 988	5 094	5 203	5 189	5 369	5 325	4 167	4 167	4 167	4 167	4 167	(2 001)	50 000	50 000	52 700
Service charges - electricity revenue		9 099	6 789	5 406	5 498	5 454	5 600	6 309	6 309	6 309	6 309	6 309	6 317	75 707	75 707	79 795
Service charges - water revenue		5 215	5 242	5 047	5 071	5 255	5 029	4 584	4 584	4 584	4 584	4 584	1 225	55 002	55 002	57 972
Service charges - sanitation revenue		2 617	2 614	2 621	2 625	2 622	2 626	2 085	2 085	2 085	2 085	2 085	(1 130)	25 020	25 020	26 371
Service charges - refuse		3 339	3 335	3 343	3 348	3 347	3 348	2 500	2 500	2 500	2 500	2 500	(2 559)	30 000	30 000	31 620
Service charges - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Rental of facilities and equipment		18	14	9	15	13	9	58	58	58	58	58	328	697	697	735
Interest earned - external investments		180	67	542	293	445	412	543	543	543	543	543	1 861	6 514	6 514	6 865
Interest earned - outstanding debtors		2 391	2 505	2 552	2 612	2 678	2 774	2 333	2 333	2 333	2 333	2 333	822	28 001	28 001	29 513
Dividends received		60	–	–	–	–	–	3	3	3	3	3	(39)	35	35	37
Fines, penalties and forfeits		31	6	17	27	16	37	50	50	50	50	50	216	600	600	632
Licences and permits		–	0	–	0	8	5	3	3	3	3	3	7	35	35	37
Agency services		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfer receipts - operating		74 550	–	–	–	682	57 976	14 762	14 762	14 762	14 762	14 762	(29 874)	177 144	177 144	186 710
Other revenue		183	1 393	127	297	183	90	111	111	111	111	111	(1 498)	1 329	1 329	1 401
Cash Receipts by Source		**102 670**	**27 060**	**24 866**	**24 975**	**26 073**	**83 230**	**37 507**	**37 507**	**37 507**	**37 507**	**37 507**	**(26 325)**	**450 084**	**450 084**	**474 388**
Other Cash Flows by Source																
Transfer receipts - capital		25 616	18 500	129	6 300	15 051	–	8 456	8 456	8 456	8 456	8 456	(6 408)	101 466	101 466	106 945
Contributions & Contributed assets		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Proceeds on disposal of PPE		–	–	(18)	–	–	(1 478)	–	–	–	–	–	1 496	–	–	–
Short term loans		(6 813)	–	–	–	–	–	–	–	–	–	–	6 813	–	–	–
Borrowing long term/refinancing		5 672	(133)	–	–	–	–	–	–	–	–	–	(5 539)	–	–	–
Increase in consumer deposits		279	34	37	78	84	83	–	–	–	–	–	(594)	–	–	–
Receipt of non-current debtors		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Receipt of non-current receivables		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Change in non-current investments		6 684	(35 209)	11 600	(26 779)	(35 448)	30 603	–	–	–	–	–	48 548	–	–	–
Total Cash Receipts by Source		**134 108**	**10 252**	**36 613**	**4 573**	**5 761**	**112 438**	**45 962**	**45 962**	**45 962**	**45 962**	**45 962**	**17 991**	**551 550**	**551 550**	**581 333**
Cash Payments by Type																
Employee related costs		–	32 292	12 988	14 842	14 530	16 403	18 207	18 207	18 207	18 207	18 207	36 392	218 481	218 481	230 279
Remuneration of councillors		–	–	3 201	1 108	1 092	1 072	–	–	–	–	–	(6 474)	–	–	–
Interest paid		219	1 281	436	507	699	642	217	217	217	217	217	(2 267)	2 600	2 600	2 740
Bulk purchases - Electricity		8 327	15 871	388	4 499	4 741	5 484	5 583	5 583	5 583	5 583	5 583	(227)	67 000	67 000	70 618
Bulk purchases - Water & Sewer		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Other materials		870	995	785	(12 673)	984	606	3 190	3 190	3 190	3 190	3 190	30 762	38 276	38 276	40 343
Contracted services		534	1 176	1 355	447	1 829	4 138	24	24	24	24	24	(9 312)	286	286	302
Grants and subsidies paid - other municipalities		1 094	1 497	2 060	2 368	2 586	2 582	54	54	54	54	54	(11 807)	650	650	685
Grants and subsidies paid - other		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
General expenses		19 048	8 275	4 990	5 273	4 754	1 836	7 637	7 637	7 637	7 637	7 637	9 285	91 646	91 646	96 595
Cash Payments by Type		**30 092**	**61 386**	**26 202**	**16 372**	**31 214**	**32 764**	**34 912**	**34 912**	**34 912**	**34 912**	**34 912**	**46 352**	**418 940**	**418 940**	**441 562**
Other Cash Flows/Payments by Type																
Capital assets		(8 834)	2 678	3 117	2 131	4 304	17 333	10 810	10 810	10 810	10 810	10 810	54 941	129 720	129 720	136 725
Repayment of borrowing		(14 718)	638	706	265	779	1 416	–	–	–	–	–	10 914	–	–	–
Other Cash Flows/Payments		–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Total Cash Payments by Type		**6 540**	**64 702**	**30 026**	**18 768**	**36 297**	**51 512**	**45 722**	**45 722**	**45 722**	**45 722**	**45 722**	**112 206**	**548 660**	**548 660**	**578 288**
NET INCREASE/(DECREASE) IN CASH HELD		**127 569**	**(54 450)**	**6 587**	**(14 195)**	**(30 536)**	**60 926**	**241**	**241**	**241**	**241**	**241**	**(94 215)**	**2 890**	**2 890**	**3 046**
Cash/cash equivalents at the month/year beginning:			127 569	73 119	79 706	65 511	34 975	95 901	96 142	96 382	96 623	96 864	97 105	–	2 890	5 779
Cash/cash equivalents at the month/year end:		127 569	73 119	79 706	65 511	34 975	95 901	96 142	96 382	96 623	96 864	97 105	2 890	2 890	5 779	8 825

FS191 Setsoto - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Source										
Property rates		44 239	50 000	–	5 325	31 168	25 000	6 168	25%	–
Service charges - electricity revenue		62 935	75 707	–	5 600	37 846	37 854	(8)	0%	–
Service charges - water revenue		49 379	55 002	–	5 029	30 859	27 501	3 358	12%	–
Service charges - sanitation revenue		25 374	25 020	–	2 626	15 725	12 510	3 215	26%	–
Service charges - refuse revenue		25 367	30 000	–	3 348	20 059	15 000	5 059	34%	–
Service charges - other		252	–	–	–	–	–	–		–
Rental of facilities and equipment		1 534	697	–	9	78	348	(270)	-78%	–
Interest earned - external investments		21 498	6 514	–	412	1 938	3 257	(1 318)	-40%	–
Interest earned - outstanding debtors		–	28 001	–	2 774	15 512	14 000	1 511	11%	–
Dividends received		40	35	–	–	60	18	42	241%	–
Fines, penalties and forfeits		2 463	600	–	37	134	300	(166)	-55%	–
Licences and permits		39	35	–	5	13	18	(4)	-25%	–
Agency services		–	–	–	–	–	–	–		–
Transfers and subsidies		170 002	177 144	–	57 976	133 208	88 572	44 636	50%	–
Other revenue		5 928	1 329	–	90	2 273	665	1 609	242%	–
Gains on disposal of PPE		(6 497)	–	–	–	–	–	–		–
Total Revenue (excluding capital transfers and contributions)		**402 553**	**450 084**	**–**	**83 230**	**288 874**	**225 042**	**63 832**	**28%**	**–**
Expenditure By Type										
Employee related costs		187 599	218 481	–	16 403	91 056	109 241	(18 185)	-17%	–
Remuneration of councillors		9 896	–	–	1 072	6 474	–	6 474	#DIV/0!	–
Debt impairment		69 861	56 000	–	1 168	17 958	28 000	(10 042)	-36%	–
Depreciation & asset impairment		212 220	239 167	–	–	–	119 584	(119 584)	-100%	–
Finance charges		2 289	2 600	–	642	3 784	1 300	2 484	191%	–
Bulk purchases		72 798	67 000	–	5 484	39 310	33 500	5 810	17%	–
Other materials		–	38 276	–	606	(8 434)	19 138	(27 572)	-144%	–
Contracted services		22 731	286	–	4 138	9 479	143	9 336	6526%	–
Transfers and subsidies		5 618	650	–	2 582	12 186	325	11 861	3650%	–
Other expenditure		47 607	35 646	–	664	7 795	17 823	(10 028)	-56%	–
Loss on disposal of PPE		258	–	–	(1 478)	(1 496)	–	(1 496)	#DIV/0!	–
Total Expenditure		**630 878**	**658 107**	**–**	**31 282**	**178 111**	**329 054**	**(150 943)**	**-46%**	**–**
Surplus/(Deficit)		(228 325)	(208 024)	–	51 948	110 763	(104 012)	214 775	-206%	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial and District)		103 396	101 466	–	–	65 596	50 733	14 863	29%	–
Transfers and subsidies - capital (monetary allocations) (National / Provincial Departmental Agencies, Households, Non-profit Institutions, Private Enterprises, Public Corporatons, Higher Educational Institutions)		90	–	–	–	–	–	–		–
Transfers and subsidies - capital (in-kind - all)		90	–	–	–	–	–	–		–
Surplus/(Deficit) after capital transfers & contributions		(124 749)	(106 558)	–	51 948	176 360	(53 279)	229 638	-431%	–
Taxation		–	–	–	–	–	–	–		–
Surplus/(Deficit) after taxation		**(124 749)**	**(106 558)**	**–**	**51 948**	**176 360**	**(53 279)**	**229 638**	**-431%**	**–**

FS191 Setsoto - NOT REQUIRED - municipality does not have entities or this is the parent municipality's budget - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
R thousands		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
Revenue By Municipal Entity										
Insert name of municipal entity								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
Total Operating Revenue	1	–	–	–	–	–	–	–		–
Expenditure By Municipal Entity										
Insert name of municipal entity								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
Total Operating Expenditure	2	–	–	–	–	–	–	–		–
Surplus/ (Deficit) for the yr/period		–	–	–	–	–	–	–		–
Capital Expenditure By Municipal Entity										
Insert name of municipal entity								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
								–		
Total Capital Expenditure	3	–	–	–	–	–	–	–		–

FS191 Setsoto - Supporting Table SC12 Monthly Budget Statement - capital expenditure trend - Mid-Year Assessment

Month	2017/18	Budget Year 2018/19							
R thousands	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	% spend of Original Budget
Monthly expenditure performance trend									
July	5 247	10 810	–	1 374	1 374	10 810	9 436	87.3%	1%
August	10 319	10 810	–	2 678	4 052	21 620	17 568	81.3%	3%
September	4 870	10 810	–	3 117	7 169	32 430	25 261	77.9%	6%
October	2 738	10 810	–	2 131	9 300	43 240	33 940	78.5%	7%
November	9 935	10 810	–	4 304	13 604	54 050	40 446	74.8%	10%
December	9 146	10 810	–	17 309	30 913	64 860	33 947	52.3%	24%
January	1 622	10 810	–	–		75 670	–		
February	5 224	10 810	–	–		86 480	–		
March	12 223	10 810	–	–		97 290	–		
April	12 094	10 810	–	–		108 100	–		
May	9 317	10 810	–	–		118 910	–		
June	38 180	10 810	–	–		129 720	–		
Total Capital expenditure	**120 916**	**129 720**	**–**	**30 913**					

FS191 Setsoto - Supporting Table SC13a Monthly Budget Statement - capital expenditure on new assets by asset class - Mid-Year Assessment

Description	Ref	2017/18	Budget Year 2018/19							
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget	YTD variance	YTD variance %	Full Year Forecast
R thousands	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		–	–	–	–	–	–	–		–
Roads Infrastructure		–	–	–	–	–	–	–		–
Roads		–	–	–	–	–	–	–		–
Road Structures		–	–	–	–	–	–	–		–
Road Furniture		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Storm water Infrastructure		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
Electrical Infrastructure		–	–	–	–	–	–	–		–
Power Plants		–	–	–	–	–	–	–		–
HV Substations		–	–	–	–	–	–	–		–
HV Switching Station		–	–	–	–	–	–	–		–
HV Transmission Conductors		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
MV Switching Stations		–	–	–	–	–	–	–		–
MV Networks		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Water Supply Infrastructure		–	–	–	–	–	–	–		–
Dams and Weirs		–	–	–	–	–	–	–		–
Boreholes		–	–	–	–	–	–	–		–
Reservoirs		–	–	–	–	–	–	–		–
Pump Stations		–	–	–	–	–	–	–		–
Water Treatment Works		–	–	–	–	–	–	–		–
Bulk Mains		–	–	–	–	–	–	–		–
Distribution		–	–	–	–	–	–	–		–
Distribution Points		–	–	–	–	–	–	–		–
PRV Stations		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sanitation Infrastructure		–	–	–	–	–	–	–		–
Pump Station		–	–	–	–	–	–	–		–
Reticulation		–	–	–	–	–	–	–		–
Waste Water Treatment Works		–	–	–	–	–	–	–		–
Outfall Sewers		–	–	–	–	–	–	–		–
Toilet Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Solid Waste Infrastructure		–	–	–	–	–	–	–		–
Landfill Sites		–	–	–	–	–	–	–		–
Waste Transfer Stations		–	–	–	–	–	–	–		–
Waste Processing Facilities		–	–	–	–	–	–	–		–
Waste Drop-off Points		–	–	–	–	–	–	–		–
Waste Separation Facilities		–	–	–	–	–	–	–		–
Electricity Generation Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Rail Infrastructure		–	–	–	–	–	–	–		–
Rail Lines		–	–	–	–	–	–	–		–
Rail Structures		–	–	–	–	–	–	–		–
Rail Furniture		–	–	–	–	–	–	–		–
Drainage Collection		–	–	–	–	–	–	–		–
Storm water Conveyance		–	–	–	–	–	–	–		–
Attenuation		–	–	–	–	–	–	–		–
MV Substations		–	–	–	–	–	–	–		–
LV Networks		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Coastal Infrastructure		–	–	–	–	–	–	–		–
Sand Pumps		–	–	–	–	–	–	–		–
Piers		–	–	–	–	–	–	–		–
Revetments		–	–	–	–	–	–	–		–
Promenades		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Information and Communication Infrastructure		–	–	–	–	–	–	–		–
Data Centres		–	–	–	–	–	–	–		–
Core Layers		–	–	–	–	–	–	–		–
Distribution Layers		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Community Assets		–	–	–	–	–	–	–		–
Community Facilities		–	–	–	–	–	–	–		–
Halls		–	–	–	–	–	–	–		–
Centres		–	–	–	–	–	–	–		–
Crèches		–	–	–	–	–	–	–		–
Clinics/Care Centres		–	–	–	–	–	–	–		–
Fire/Ambulance Stations		–	–	–	–	–	–	–		–
Testing Stations		–	–	–	–	–	–	–		–
Museums		–	–	–	–	–	–	–		–
Galleries		–	–	–	–	–	–	–		–
Theatres		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Cemeteries/Crematoria		–	–	–	–	–	–	–		–
Police		–	–	–	–	–	–	–		–
Purls		–	–	–	–	–	–	–		–
Public Open Space		–	–	–	–	–	–	–		–
Nature Reserves		–	–	–	–	–	–	–		–
Public Ablution Facilities		–	–	–	–	–	–	–		–
Markets		–	–	–	–	–	–	–		–
Stalls		–	–	–	–	–	–	–		–
Abattoirs		–	–	–	–	–	–	–		–
Airports		–	–	–	–	–	–	–		–
Taxi Ranks/Bus Terminals		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Sport and Recreation Facilities		–	–	–	–	–	–	–		–
Indoor Facilities		–	–	–	–	–	–	–		–
Outdoor Facilities		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Heritage assets		–	–	–	–	–	–	–		–
Monuments		–	–	–	–	–	–	–		–
Historic Buildings		–	–	–	–	–	–	–		–
Works of Art		–	–	–	–	–	–	–		–
Conservation Areas		–	–	–	–	–	–	–		–
Other Heritage		–	–	–	–	–	–	–		–
Investment properties		–	–	–	–	–	–	–		–
Revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Non-revenue Generating		–	–	–	–	–	–	–		–
Improved Property		–	–	–	–	–	–	–		–
Unimproved Property		–	–	–	–	–	–	–		–
Other assets		–	–	–	–	–	–	–		–
Operational Buildings		–	–	–	–	–	–	–		–
Municipal Offices		–	–	–	–	–	–	–		–
Pay/Enquiry Points		–	–	–	–	–	–	–		–
Building Plan Offices		–	–	–	–	–	–	–		–
Workshops		–	–	–	–	–	–	–		–
Yards		–	–	–	–	–	–	–		–
Stores		–	–	–	–	–	–	–		–
Laboratories		–	–	–	–	–	–	–		–
Training Centres		–	–	–	–	–	–	–		–
Manufacturing Plant		–	–	–	–	–	–	–		–
Depots		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Housing		–	–	–	–	–	–	–		–
Staff Housing		–	–	–	–	–	–	–		–
Social Housing		–	–	–	–	–	–	–		–
Capital Spares		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Biological or Cultivated Assets		–	–	–	–	–	–	–		–
Intangible Assets		–	–	–	–	–	–	–		–
Servitudes		–	–	–	–	–	–	–		–
Licences and Rights		–	–	–	–	–	–	–		–
Water Rights		–	–	–	–	–	–	–		–
Effluent Licenses		–	–	–	–	–	–	–		–
Solid Waste Licenses		–	–	–	–	–	–	–		–
Computer Software and Applications		–	–	–	–	–	–	–		–
Load Settlement Software Applications		–	–	–	–	–	–	–		–
Unspecified		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Computer Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Furniture and Office Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Machinery and Equipment		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Transport Assets		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Libraries		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–	–		–
Total Capital Expenditure on new assets	1	–	–	–	–	–	–	–		–

FS191 Setsoto - Supporting Table SC13b Monthly Budget Statement - capital expenditure on renewal of existing as

Description	Ref	2017/18	Budget Year 2			
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual
R thousands	1					
Capital expenditure on renewal of existing assets by Asset Class/Sub-class						
Infrastructure		–	–	–	–	–
Roads Infrastructure		–	–	–	–	–
Roads		–	–	–	–	–
Road Structures		–	–	–	–	–
Road Furniture		–	–	–	–	–
Capital Spares		–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–
Drainage Collection		–	–	–	–	–
Storm water Conveyance		–	–	–	–	–
Attenuation		–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–
Power Plants		–	–	–	–	–
HV Substations		–	–	–	–	–
HV Switching Station		–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–
MV Substations		–	–	–	–	–
MV Switching Stations		–	–	–	–	–
MV Networks		–	–	–	–	–
LV Networks		–	–	–	–	–
Capital Spares		–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–
Dams and Weirs		–	–	–	–	–
Boreholes		–	–	–	–	–
Reservoirs		–	–	–	–	–
Pump Stations		–	–	–	–	–
Water Treatment Works		–	–	–	–	–
Bulk Mains		–	–	–	–	–
Distribution		–	–	–	–	–
Distribution Points		–	–	–	–	–
PRV Stations		–	–	–	–	–
Capital Spares		–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–
Pump Station		–	–	–	–	–
Reticulation		–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–
Outfall Sewers		–	–	–	–	–
Toilet Facilities		–	–	–	–	–
Capital Spares		–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–
Landfill Sites		–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–
Capital Spares		–	–	–	–	–
Rail Infrastructure		–	–	–	–	–
Rail Lines		–	–	–	–	–
Rail Structures		–	–	–	–	–

Rail Furniture	–	–	–	–	–	
Drainage Collection	–	–	–	–	–	
Storm water Conveyance	–	–	–	–	–	
Attenuation	–	–	–	–	–	
MV Substations	–	–	–	–	–	
LV Networks	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Coastal Infrastructure	–	–	–	–	–	
Sand Pumps	–	–	–	–	–	
Piers	–	–	–	–	–	
Revetments	–	–	–	–	–	
Promenades	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Information and Communication Infrastructure	–	–	–	–	–	
Data Centres	–	–	–	–	–	
Core Layers	–	–	–	–	–	
Distribution Layers	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Community Assets	–	–	–	–	–	
Community Facilities	–	–	–	–	–	
Halls	–	–	–	–	–	
Centres	–	–	–	–	–	
Crèches	–	–	–	–	–	
Clinics/Care Centres	–	–	–	–	–	
Fire/Ambulance Stations	–	–	–	–	–	
Testing Stations	–	–	–	–	–	
Museums	–	–	–	–	–	
Galleries	–	–	–	–	–	
Theatres	–	–	–	–	–	
Libraries	–	–	–	–	–	
Cemeteries/Crematoria	–	–	–	–	–	
Police	–	–	–	–	–	
Purls	–	–	–	–	–	
Public Open Space	–	–	–	–	–	
Nature Reserves	–	–	–	–	–	
Public Ablution Facilities	–	–	–	–	–	
Markets	–	–	–	–	–	
Stalls	–	–	–	–	–	
Abattoirs	–	–	–	–	–	
Airports	–	–	–	–	–	
Taxi Ranks/Bus Terminals	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Sport and Recreation Facilities	–	–	–	–	–	
Indoor Facilities	–	–	–	–	–	
Outdoor Facilities	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Heritage assets	–	–	–	–	–	
Monuments	–	–	–	–	–	
Historic Buildings	–	–	–	–	–	
Works of Art	–	–	–	–	–	
Conservation Areas	–	–	–	–	–	
Other Heritage	–	–	–	–	–	
Investment properties	–	–	–	–	–	
Revenue Generating	–	–	–	–	–	
Improved Property	–	–	–	–	–	

Unimproved Property		–	–	–	–	–
Non-revenue Generating		–	–	–	–	–
Improved Property		–	–	–	–	–
Unimproved Property		–	–	–	–	–
Other assets		–	–	–	–	–
Operational Buildings		–	–	–	–	–
Municipal Offices		–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–
Building Plan Offices		–	–	–	–	–
Workshops		–	–	–	–	–
Yards		–	–	–	–	–
Stores		–	–	–	–	–
Laboratories		–	–	–	–	–
Training Centres		–	–	–	–	–
Manufacturing Plant		–	–	–	–	–
Depots		–	–	–	–	–
Capital Spares		–	–	–	–	–
Housing		–	–	–	–	–
Staff Housing		–	–	–	–	–
Social Housing		–	–	–	–	–
Capital Spares		–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–
Intangible Assets		–	–	–	–	–
Servitudes		–	–	–	–	–
Licences and Rights		–	–	–	–	–
Water Rights		–	–	–	–	–
Effluent Licenses		–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–
Computer Software and Applications		–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–
Unspecified		–	–	–	–	–
Computer Equipment		–	–	–	–	–
Computer Equipment		–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–
Machinery and Equipment		–	–	–	–	–
Machinery and Equipment		–	–	–	–	–
Transport Assets		–	–	–	–	–
Transport Assets		–	–	–	–	–
Libraries		–	–	–	–	–
Libraries		–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–
Total Capital Expenditure on renewal of existing assets	1	–	–	–	–	–

References

1. Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) plus Total Capital Expenditure

	check balance	-21 007 631	-129 720 370	-	-17 308 522	-56 457 683

ssets by asset class - Mid-Year

2018/19

YearTD budget	YTD variance	YTD variance %	Full Year Forecast
–	–		–
–	–		–
–	–		–

–	–		–
–	–		–
–	–		–

FS191 Setsoto - Supporting Table SC13c Monthly Budget Statement - expenditure on repairs and maintenance by asset class -

Description	Ref	2017/18	Budget Year 2018/19				
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Repairs and maintenance expenditure by Asset Class/Sub-class							
Infrastructure		–	–	–	–	–	–
Roads Infrastructure		–	–	–	–	–	–
Roads		–	–	–	–	–	–
Road Structures		–	–	–	–	–	–
Road Furniture		–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–	–
Drainage Collection		–	–	–	–	–	–
Storm water Conveyance		–	–	–	–	–	–
Attenuation		–	–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–	–
Power Plants		–	–	–	–	–	–
HV Substations		–	–	–	–	–	–
HV Switching Station		–	–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–	–
MV Substations		–	–	–	–	–	–
MV Switching Stations		–	–	–	–	–	–
MV Networks		–	–	–	–	–	–
LV Networks		–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–	–
Dams and Weirs		–	–	–	–	–	–
Boreholes		–	–	–	–	–	–
Reservoirs		–	–	–	–	–	–
Pump Stations		–	–	–	–	–	–
Water Treatment Works		–	–	–	–	–	–
Bulk Mains		–	–	–	–	–	–
Distribution		–	–	–	–	–	–
Distribution Points		–	–	–	–	–	–
PRV Stations		–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–	–
Pump Station		–	–	–	–	–	–
Reticulation		–	–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–	–
Outfall Sewers		–	–	–	–	–	–
Toilet Facilities		–	–	–	–	–	–
Capital Spares		–	–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–	–
Landfill Sites		–	–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–	–

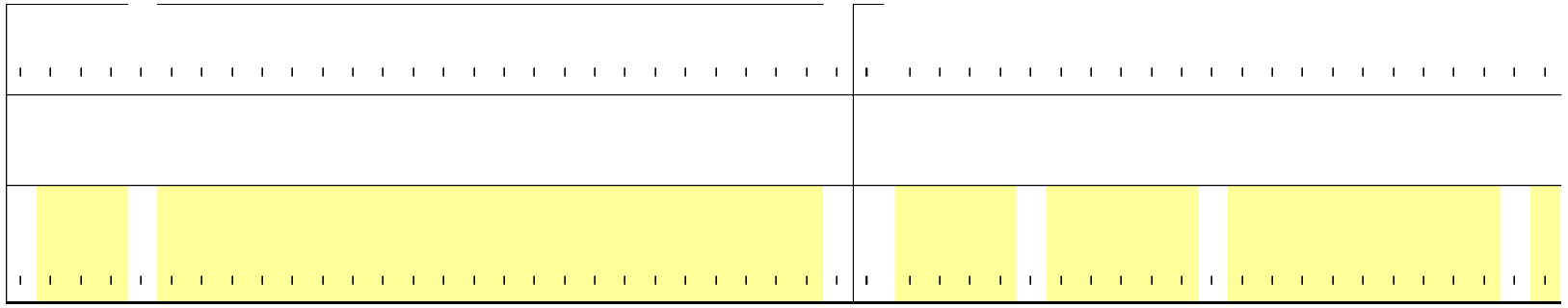
Capital Spares	–	–	–	–	–	–
Rail Infrastructure	–	–	–	–	–	–
Rail Lines	–	–	–	–	–	–
Rail Structures	–	–	–	–	–	–
Rail Furniture	–	–	–	–	–	–
Drainage Collection	–	–	–	–	–	–
Storm water Conveyance	–	–	–	–	–	–
Attenuation	–	–	–	–	–	–
MV Substations	–	–	–	–	–	–
LV Networks	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–
Coastal Infrastructure	–	–	–	–	–	–
Sand Pumps	–	–	–	–	–	–
Piers	–	–	–	–	–	–
Revetments	–	–	–	–	–	–
Promenades	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–
Information and Communication Infrastructure	–	–	–	–	–	–
Data Centres	–	–	–	–	–	–
Core Layers	–	–	–	–	–	–
Distribution Layers	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–
Community Assets	–	–	–	–	–	–
Community Facilities	–	–	–	–	–	–
Halls	–	–	–	–	–	–
Centres	–	–	–	–	–	–
Crèches	–	–	–	–	–	–
Clinics/Care Centres	–	–	–	–	–	–
Fire/Ambulance Stations	–	–	–	–	–	–
Testing Stations	–	–	–	–	–	–
Museums	–	–	–	–	–	–
Galleries	–	–	–	–	–	–
Theatres	–	–	–	–	–	–
Libraries	–	–	–	–	–	–
Cemeteries/Crematoria	–	–	–	–	–	–
Police	–	–	–	–	–	–
Purls	–	–	–	–	–	–
Public Open Space	–	–	–	–	–	–
Nature Reserves	–	–	–	–	–	–
Public Ablution Facilities	–	–	–	–	–	–
Markets	–	–	–	–	–	–
Stalls	–	–	–	–	–	–
Abattoirs	–	–	–	–	–	–
Airports	–	–	–	–	–	–
Taxi Ranks/Bus Terminals	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–
Sport and Recreation Facilities	–	–	–	–	–	–
Indoor Facilities	–	–	–	–	–	–
Outdoor Facilities	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–
Heritage assets	–	–	–	–	–	–

Monuments	–	–	–	–	–	–
Historic Buildings	–	–	–	–	–	–
Works of Art	–	–	–	–	–	–
Conservation Areas	–	–	–	–	–	–
Other Heritage	–	–	–	–	–	–
Investment properties	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–
Non-revenue Generating	–	–	–	–	–	–
Improved Property	–	–	–	–	–	–
Unimproved Property	–	–	–	–	–	–
Other assets	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–
Municipal Offices	–	–	–	–	–	–
Pay/Enquiry Points	–	–	–	–	–	–
Building Plan Offices	–	–	–	–	–	–
Workshops	–	–	–	–	–	–
Yards	–	–	–	–	–	–
Stores	–	–	–	–	–	–
Laboratories	–	–	–	–	–	–
Training Centres	–	–	–	–	–	–
Manufacturing Plant	–	–	–	–	–	–
Depots	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–
Housing	–	–	–	–	–	–
Staff Housing	–	–	–	–	–	–
Social Housing	–	–	–	–	–	–
Capital Spares	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–
Biological or Cultivated Assets	–	–	–	–	–	–
Intangible Assets	–	–	–	–	–	–
Servitudes	–	–	–	–	–	–
Licences and Rights	–	–	–	–	–	–
Water Rights	–	–	–	–	–	–
Effluent Licenses	–	–	–	–	–	–
Solid Waste Licenses	–	–	–	–	–	–
Computer Software and Applications	–	–	–	–	–	–
Load Settlement Software Applications	–	–	–	–	–	–
Unspecified	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–
Computer Equipment	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–
Furniture and Office Equipment	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–
Machinery and Equipment	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–
Transport Assets	–	–	–	–	–	–
Libraries	–	–	–	–	–	–

Libraries		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
Total Repairs and Maintenance Expenditure	1	–	–	–	–	–	–

Mid-Year Assessment

YTD variance	YTD variance %	Full Year Forecast
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FS191 Setsoto - Supporting Table SC13d Monthly Budget Statement - depreciation by asset class - Mid-Year Assessment

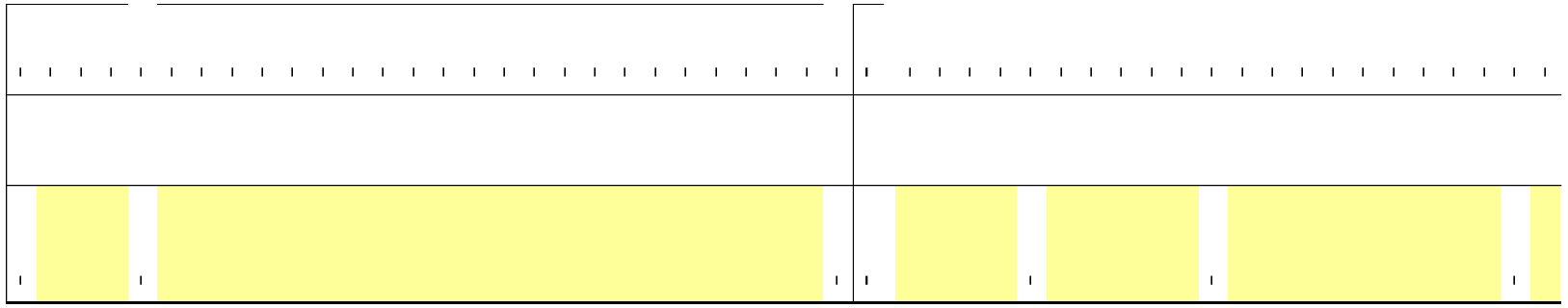
Description	Ref	2017/18	Budget Year 2018/19				
R thousands	1	Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual	YearTD budget
Depreciation by Asset Class/Sub-class							
Infrastructure		–	–	–	–	–	–
Roads Infrastructure		–	–	–	–	–	–
Roads							
Road Structures							
Road Furniture							
Capital Spares							
Storm water Infrastructure		–	–	–	–	–	–
Drainage Collection							
Storm water Conveyance							
Attenuation							
Electrical Infrastructure		–	–	–	–	–	–
Power Plants							
HV Substations							
HV Switching Station							
HV Transmission Conductors							
MV Substations							
MV Switching Stations							
MV Networks							
LV Networks							
Capital Spares							
Water Supply Infrastructure		–	–	–	–	–	–
Dams and Weirs							
Boreholes							
Reservoirs							
Pump Stations							
Water Treatment Works							
Bulk Mains							
Distribution							
Distribution Points							
PRV Stations							
Capital Spares							
Sanitation Infrastructure		–	–	–	–	–	–
Pump Station							
Reticulation							
Waste Water Treatment Works							
Outfall Sewers							
Toilet Facilities							
Capital Spares							
Solid Waste Infrastructure		–	–	–	–	–	–
Landfill Sites							
Waste Transfer Stations							
Waste Processing Facilities							
Waste Drop-off Points							
Waste Separation Facilities							
Electricity Generation Facilities							

Capital Spares							
Rail Infrastructure	–	–	–	–	–	–	–
Rail Lines							
Rail Structures							
Rail Furniture							
Drainage Collection							
Storm water Conveyance							
Attenuation							
MV Substations							
LV Networks							
Capital Spares							
Coastal Infrastructure	–	–	–	–	–	–	–
Sand Pumps							
Piers							
Revetments							
Promenades							
Capital Spares							
Information and Communication Infrastructure	–	–	–	–	–	–	–
Data Centres							
Core Layers							
Distribution Layers							
Capital Spares							
Community Assets	–	–	–	–	–	–	–
Community Facilities	–	–	–	–	–	–	–
Halls							
Centres							
Crèches							
Clinics/Care Centres							
Fire/Ambulance Stations							
Testing Stations							
Museums							
Galleries							
Theatres							
Libraries							
Cemeteries/Crematoria							
Police							
Purls							
Public Open Space							
Nature Reserves							
Public Ablution Facilities							
Markets							
Stalls							
Abattoirs							
Airports							
Taxi Ranks/Bus Terminals							
Capital Spares							
Sport and Recreation Facilities	–	–	–	–	–	–	–
Indoor Facilities							
Outdoor Facilities							
Capital Spares							
Heritage assets	–	–	–	–	–	–	–

Monuments						
Historic Buildings						
Works of Art						
Conservation Areas						
Other Heritage						
Investment properties	–	–	–	–	–	–
Revenue Generating	–	–	–	–	–	–
Improved Property						
Unimproved Property						
Non-revenue Generating	–	–	–	–	–	–
Improved Property						
Unimproved Property						
Other assets	–	–	–	–	–	–
Operational Buildings	–	–	–	–	–	–
Municipal Offices						
Pay/Enquiry Points						
Building Plan Offices						
Workshops						
Yards						
Stores						
Laboratories						
Training Centres						
Manufacturing Plant						
Depots						
Capital Spares						
Housing	–	–	–	–	–	–
Staff Housing						
Social Housing						
Capital Spares						
Biological or Cultivated Assets	–	–	–	–	–	–
Biological or Cultivated Assets						
Intangible Assets	–	–	–	–	–	–
Servitudes						
Licences and Rights	–	–	–	–	–	–
Water Rights						
Effluent Licenses						
Solid Waste Licenses						
Computer Software and Applications						
Load Settlement Software Applications						
Unspecified						
Computer Equipment	–	–	–	–	–	–
Computer Equipment						
Furniture and Office Equipment	–	–	–	–	–	–
Furniture and Office Equipment						
Machinery and Equipment	–	–	–	–	–	–
Machinery and Equipment						
Transport Assets	–	–	–	–	–	–
Transport Assets						
Libraries	–	–	–	–	–	–

Libraries							
Zoo's, Marine and Non-biological Animals		–	–	–	–	–	–
Zoo's, Marine and Non-biological Animals							
Total Depreciation	1	–	–	–	–	–	–

YTD variance	YTD variance %	Full Year Forecast
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FS191 Setsoto - Supporting Table SC13e Monthly Budget Statement - capital expenditure on upgrading of existing

Description	Ref	2017/18	Budget Year 2			
		Audited Outcome	Original Budget	Adjusted Budget	Monthly actual	YearTD actual
R thousands	1					
Capital expenditure on upgrading of existing assets by Asset Class/Sub-class						
Infrastructure		–	–	–	–	–
Roads Infrastructure		–	–	–	–	–
Roads		–	–	–	–	–
Road Structures		–	–	–	–	–
Road Furniture		–	–	–	–	–
Capital Spares		–	–	–	–	–
Storm water Infrastructure		–	–	–	–	–
Drainage Collection		–	–	–	–	–
Storm water Conveyance		–	–	–	–	–
Attenuation		–	–	–	–	–
Electrical Infrastructure		–	–	–	–	–
Power Plants		–	–	–	–	–
HV Substations		–	–	–	–	–
HV Switching Station		–	–	–	–	–
HV Transmission Conductors		–	–	–	–	–
MV Substations		–	–	–	–	–
MV Switching Stations		–	–	–	–	–
MV Networks		–	–	–	–	–
LV Networks		–	–	–	–	–
Capital Spares		–	–	–	–	–
Water Supply Infrastructure		–	–	–	–	–
Dams and Weirs		–	–	–	–	–
Boreholes		–	–	–	–	–
Reservoirs		–	–	–	–	–
Pump Stations		–	–	–	–	–
Water Treatment Works		–	–	–	–	–
Bulk Mains		–	–	–	–	–
Distribution		–	–	–	–	–
Distribution Points		–	–	–	–	–
PRV Stations		–	–	–	–	–
Capital Spares		–	–	–	–	–
Sanitation Infrastructure		–	–	–	–	–
Pump Station		–	–	–	–	–
Reticulation		–	–	–	–	–
Waste Water Treatment Works		–	–	–	–	–
Outfall Sewers		–	–	–	–	–
Toilet Facilities		–	–	–	–	–
Capital Spares		–	–	–	–	–
Solid Waste Infrastructure		–	–	–	–	–
Landfill Sites		–	–	–	–	–
Waste Transfer Stations		–	–	–	–	–
Waste Processing Facilities		–	–	–	–	–
Waste Drop-off Points		–	–	–	–	–
Waste Separation Facilities		–	–	–	–	–
Electricity Generation Facilities		–	–	–	–	–
Capital Spares		–	–	–	–	–
Rail Infrastructure		–	–	–	–	–
Rail Lines		–	–	–	–	–
Rail Structures		–	–	–	–	–

Rail Furniture	–	–	–	–	–	
Drainage Collection	–	–	–	–	–	
Storm water Conveyance	–	–	–	–	–	
Attenuation	–	–	–	–	–	
MV Substations	–	–	–	–	–	
LV Networks	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Coastal Infrastructure	–	–	–	–	–	
Sand Pumps	–	–	–	–	–	
Piers	–	–	–	–	–	
Revetments	–	–	–	–	–	
Promenades	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Information and Communication Infrastructure	–	–	–	–	–	
Data Centres	–	–	–	–	–	
Core Layers	–	–	–	–	–	
Distribution Layers	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Community Assets	–	–	–	–	–	
Community Facilities	–	–	–	–	–	
Halls	–	–	–	–	–	
Centres	–	–	–	–	–	
Crèches	–	–	–	–	–	
Clinics/Care Centres	–	–	–	–	–	
Fire/Ambulance Stations	–	–	–	–	–	
Testing Stations	–	–	–	–	–	
Museums	–	–	–	–	–	
Galleries	–	–	–	–	–	
Theatres	–	–	–	–	–	
Libraries	–	–	–	–	–	
Cemeteries/Crematoria	–	–	–	–	–	
Police	–	–	–	–	–	
Purls	–	–	–	–	–	
Public Open Space	–	–	–	–	–	
Nature Reserves	–	–	–	–	–	
Public Ablution Facilities	–	–	–	–	–	
Markets	–	–	–	–	–	
Stalls	–	–	–	–	–	
Abattoirs	–	–	–	–	–	
Airports	–	–	–	–	–	
Taxi Ranks/Bus Terminals	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Sport and Recreation Facilities	–	–	–	–	–	
Indoor Facilities	–	–	–	–	–	
Outdoor Facilities	–	–	–	–	–	
Capital Spares	–	–	–	–	–	
Heritage assets	–	–	–	–	–	
Monuments	–	–	–	–	–	
Historic Buildings	–	–	–	–	–	
Works of Art	–	–	–	–	–	
Conservation Areas	–	–	–	–	–	
Other Heritage	–	–	–	–	–	
Investment properties	–	–	–	–	–	
Revenue Generating	–	–	–	–	–	
Improved Property	–	–	–	–	–	

Unimproved Property		–	–	–	–	–
Non-revenue Generating		–	–	–	–	–
Improved Property		–	–	–	–	–
Unimproved Property		–	–	–	–	–
Other assets		–	–	–	–	–
Operational Buildings		–	–	–	–	–
Municipal Offices		–	–	–	–	–
Pay/Enquiry Points		–	–	–	–	–
Building Plan Offices		–	–	–	–	–
Workshops		–	–	–	–	–
Yards		–	–	–	–	–
Stores		–	–	–	–	–
Laboratories		–	–	–	–	–
Training Centres		–	–	–	–	–
Manufacturing Plant		–	–	–	–	–
Depots		–	–	–	–	–
Capital Spares		–	–	–	–	–
Housing		–	–	–	–	–
Staff Housing		–	–	–	–	–
Social Housing		–	–	–	–	–
Capital Spares		–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–
Biological or Cultivated Assets		–	–	–	–	–
Intangible Assets		–	–	–	–	–
Servitudes		–	–	–	–	–
Licences and Rights		–	–	–	–	–
Water Rights		–	–	–	–	–
Effluent Licenses		–	–	–	–	–
Solid Waste Licenses		–	–	–	–	–
Computer Software and Applications		–	–	–	–	–
Load Settlement Software Applications		–	–	–	–	–
Unspecified		–	–	–	–	–
Computer Equipment		–	–	–	–	–
Computer Equipment		–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–
Furniture and Office Equipment		–	–	–	–	–
Machinery and Equipment		–	–	–	–	–
Machinery and Equipment		–	–	–	–	–
Transport Assets		–	–	–	–	–
Transport Assets		–	–	–	–	–
Libraries		–	–	–	–	–
Libraries		–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–
Zoo's, Marine and Non-biological Animals		–	–	–	–	–
Total Capital Expenditure on upgrading of existing assets	1	–	–	–	–	–

References

1. Total Capital Expenditure on new assets (SC13a) plus Total Capital Expenditure on renewal of existing assets (SC13b) plus Total Capital Expenditure

	check balance	-21 007 631	-129 720 370	-	-17 308 522	-56 457 683

assets by asset class - Mid-Year

2018/19

YearTD budget	YTD variance	YTD variance %	Full Year Forecast
–	–		–
–	–		–
–	–		–

–	–		–
–	–		–
–	–		–

Chart C1 2018/19 Capital Expenditure Monthly Trend: actual v target

Month	2017/18	Original Budget	Adjusted Budg	Monthly actual
Jul	5 247	10 810	–	1 374
Aug	10 319	10 810	–	2 678
Sep	4 870	10 810	–	3 117
Oct	2 738	10 810	–	2 131
Nov	9 935	10 810	–	4 304
Dec	9 146	10 810	–	17 309
Jan	1 622	10 810	–	–
Feb	5 224	10 810	–	–
Mar	12 223	10 810	–	–
Apr	12 094	10 810	–	–
May	9 317	10 810	–	–
Jun	38 180	10 810	–	–

Chart C2 2018/19 Capital Expenditure: YTD actual v YTD target

Month	YearTD actual	YearTD budget
Jul	1 374	10 810
Aug	4 052	21 620
Sep	7 169	32 430
Oct	9 300	43 240
Nov	13 604	54 050
Dec	30 913	64 860
Jan		75 670
Feb		86 480
Mar		97 290
Apr		108 100
May		118 910
Jun		129 720

Chart C3 Aged Consumer Debtors Analysis

	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181 Dys-1 Yr	Over 1Yr
Budget Year 2018/	39 859	14 574	15 444	15 390	14 913	6 557	59 187	268 396
2017/18	40 894	20 219	13 093	12 748	12 515	12 054	54 263	211 259

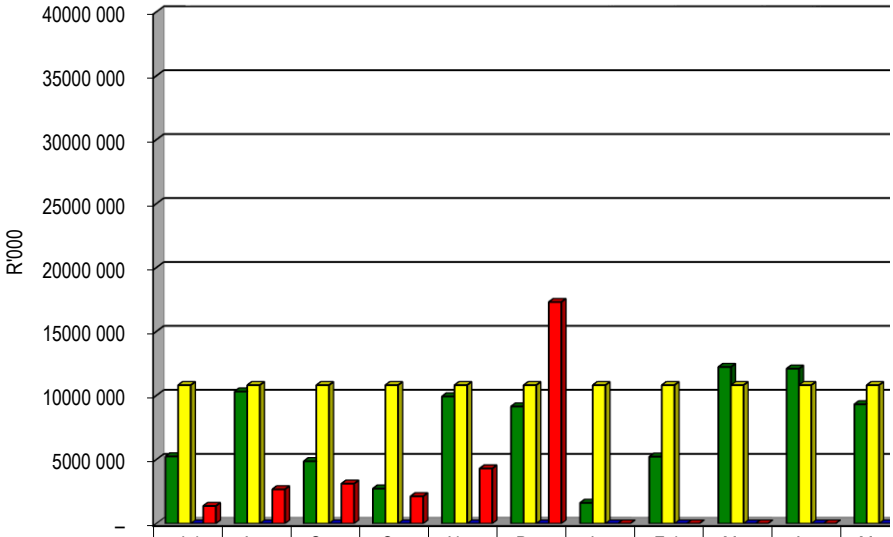
Chart C4 Consumer Debtors (total by Debtor Customer Category)

	2017/18	Budget Year 2018/19
Organs of State	44 756	38 681
Commercial	20 545	28 766
Households	304 894	359 514
Other	6 850	7 360

Chart C5 Aged Creditors Analysis

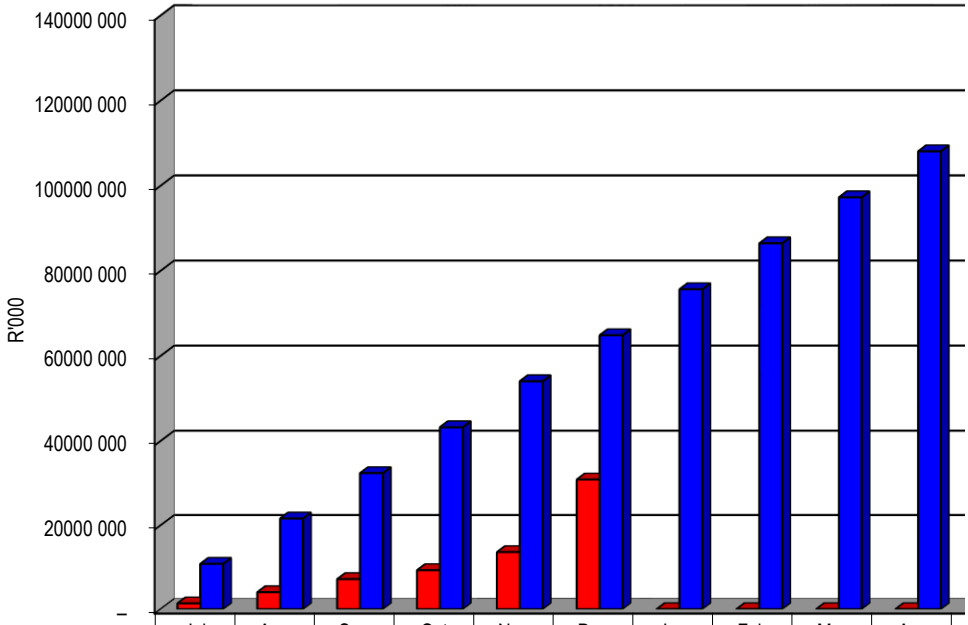
	Bulk Electricity	Bulk Water	PAYE deductio	VAT (output les	Pensions / Reti	Loan repaymen	Trade Creditors	Auditor Genera
2017/18	26 972	–	–	–	–	–	9 077	–
Budget Year 2018/	15 638	–	–	–	–	–	4 873	4 231

Chart C1 2018/19 Capital Expenditure Monthly Trend: actual v t



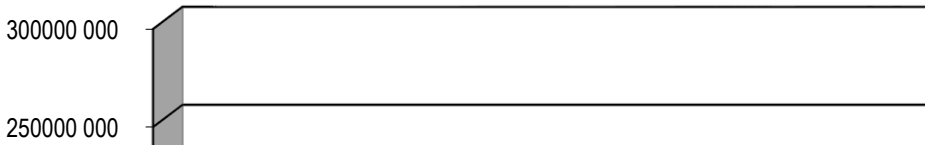
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May
2017/18	5247 198	10319 34	4869 549	2738 219	9934 683	9146 228	1622 414	5224 116	12223 17	12094 30	3316 5
Original Budget	10810 03	10810 03	10810 03	10810 03	10810 03	10810 03	10810 03	10810 03	10810 03	10810 03	10810
Adjusted Budget	–	–	–	–	–	–	–	–	–	–	–
Monthly actual	1373 560	2678 036	3117 427	2131 089	4304 285	17308 52	–	–	–	–	–

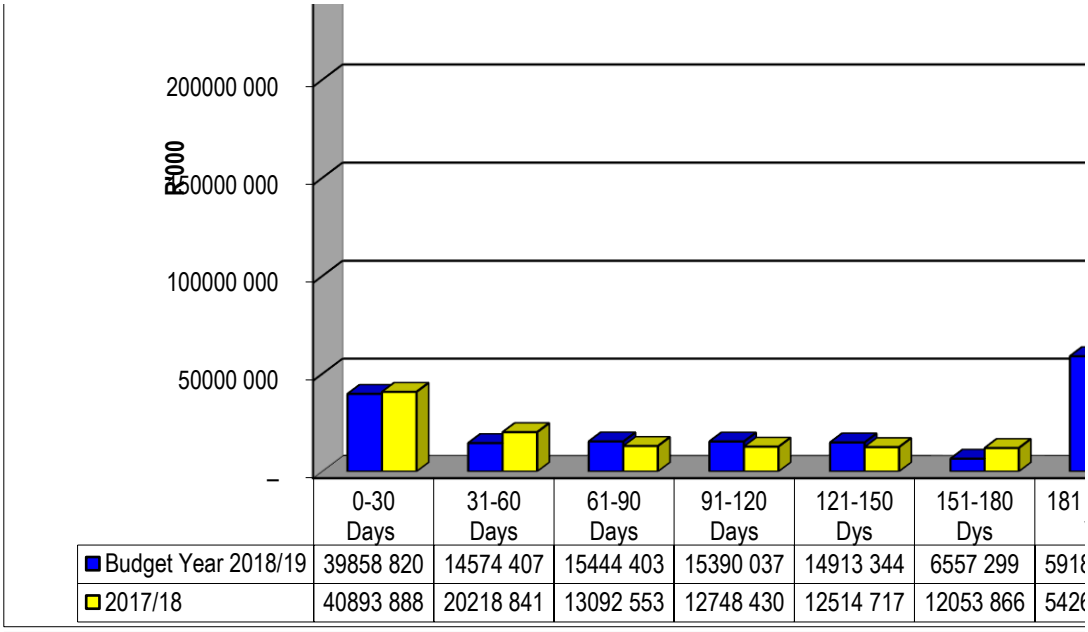
Chart C2 2018/19 Capital Expenditure: YTD actual v YTD



	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	
YearTD actual	1373 560	4051 596	7169 023	9300 113	13604 39	30912 92	–	–	–	–	
YearTD budget	10810 03	21620 06	32430 09	43240 12	54050 15	64860 18	75670 21	86480 24	97290 27	108100 3	1

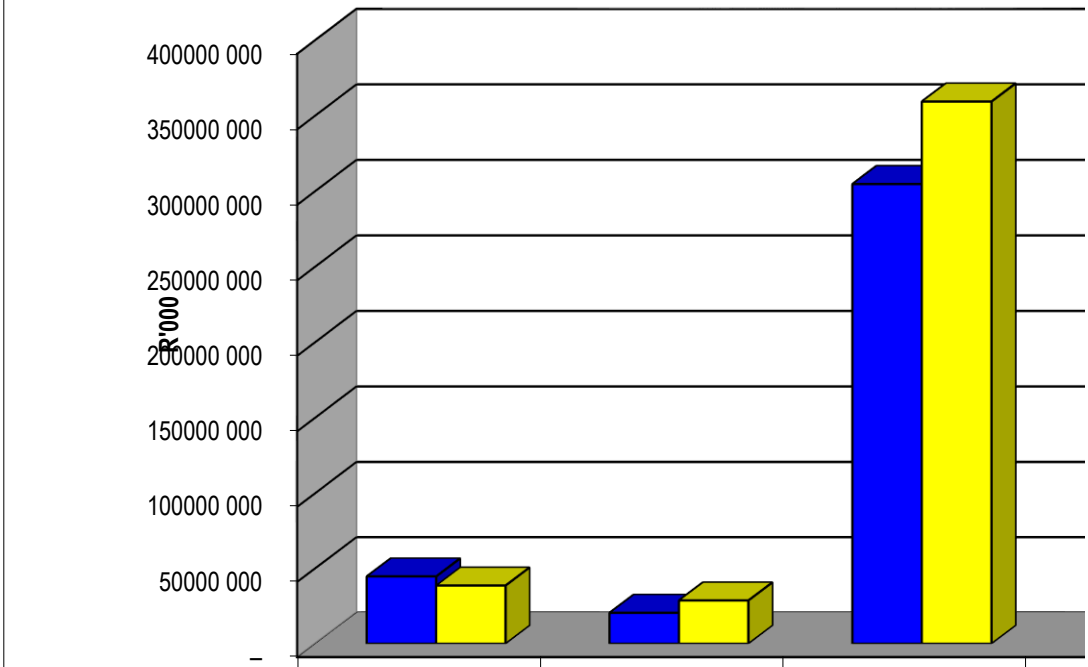
Chart C3 Aged Consumer Debtors Analysis





	0-30 Days	31-60 Days	61-90 Days	91-120 Days	121-150 Dys	151-180 Dys	181
Budget Year 2018/19	39858 820	14574 407	15444 403	15390 037	14913 344	6557 299	5918
2017/18	40893 888	20218 841	13092 553	12748 430	12514 717	12053 866	5426

Chart C4 Consumer Debtors (total by Debtor Customer Categor



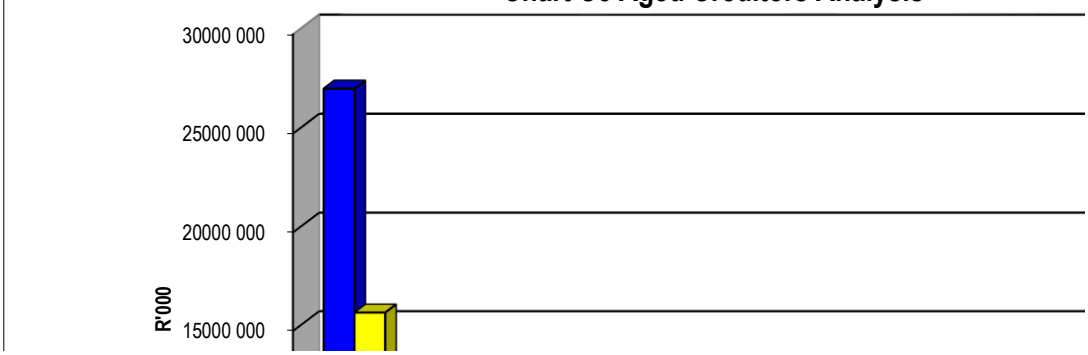
	Organs of State	Commercial	Households
2017/18	44755 957	20544 718	304894 132
Budget Year 2018/19	38681 242	28765 760	359514 394

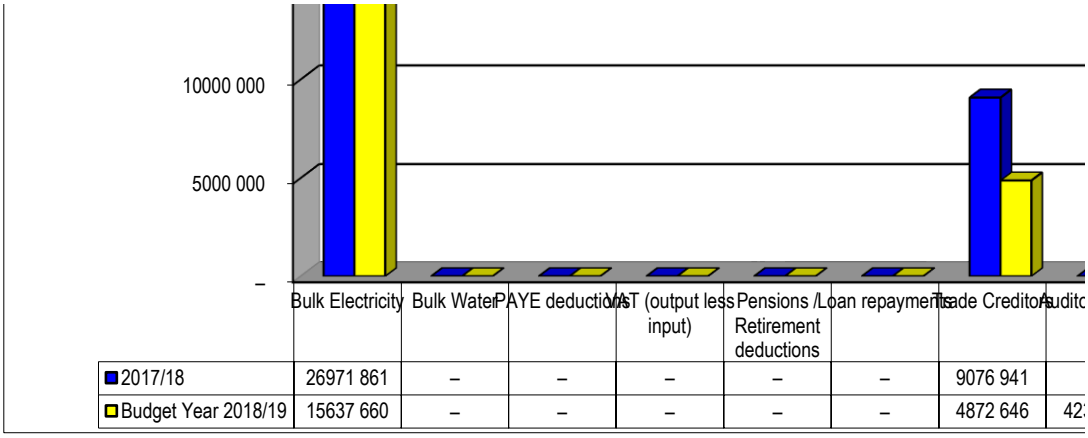
Other

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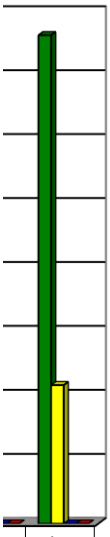
Chart C5 Aged Creditors Analysis





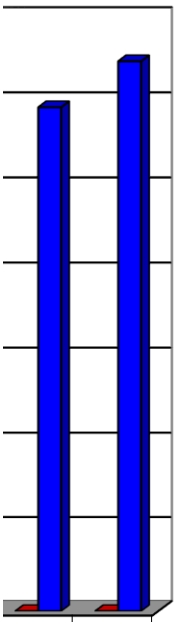
	Bulk Electricity	Bulk Water	PAYE deductions	VAT (output less input)	Pensions / Retirement deductions	Loan repayments	Trade Creditors	Audito
2017/18	26971 861	–	–	–	–	–	9076 941	
Budget Year 2018/19	15637 660	–	–	–	–	–	4872 646	42

target

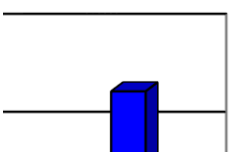


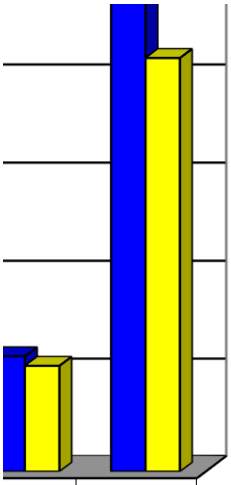
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549	38180 31
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target



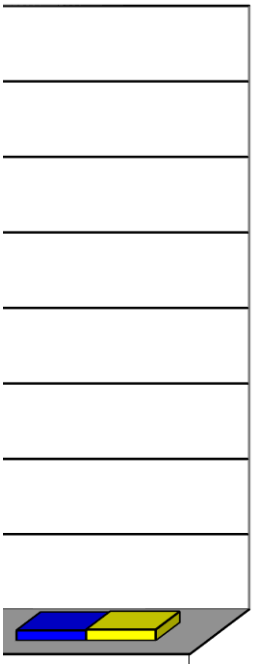
May	Jun
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18910 3	129720 3



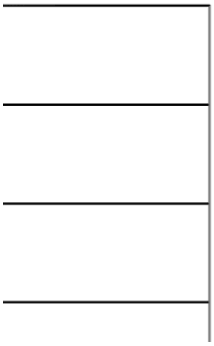


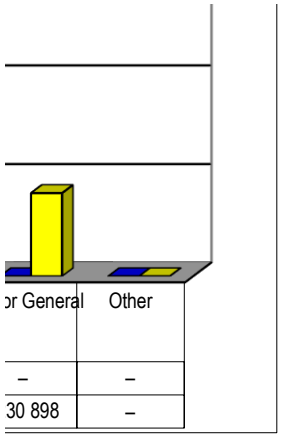
Dys-1 Yr	Over 1Yr
86 668	268396 076
62 960	211259 094

ry)



Other
6849 542
7359 658





or General	Other
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30 898	–